



STATE OF WASHINGTON
DEPARTMENT OF RETIREMENT SYSTEMS

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Request for Proposals
RFP NO. 14-008-02

This RFP was posted to the Washington Electronic Business Solutions (WEBS) Web site, <https://fortress.wa.gov/ga/webs/> hosted by the Department of Enterprise Services. Any addenda, including Respondent questions and Agency answers, to this RFP will be posted to WEBS. You are responsible for checking WEBS for this information.

Title:

Third Party Record Keeping Services for the State of Washington's Deferred Compensation Program and the Defined Contribution component of the Teachers' Retirement System (TRS) Plan 3, School Employees' Retirement System (SERS) Plan 3, and Public Employees' Retirement System (PERS) Plan 3 Defined Benefit Plans.

Proposal Due Date:

July 25, 2014 by 3:00 p.m. PDT

Expected Time Period for Contract:

July 1, 2015 – June 30, 2018 with the expectation of a 6 month transition period to begin on January 1, 2015. The Department reserves the right to extend the contract for up to two additional one-year periods.

Respondent Eligibility:

This procurement is open to those Respondents that satisfy the minimum qualifications stated herein and that are available for work in Washington State.

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1 INTRODUCTION

1.1 PURPOSE

The Washington State Department of Retirement Systems (DRS) is committed to providing exemplary customer service as it helps public employees prepare for retirement. It is DRS' intent that participants receive the same level of customer service from its vendor(s) through access to comprehensive tools and resources as well as in-person guidance. Such access should be provided in an integrated manner in order to give participants the ability to clearly understand all aspects of their benefits and enable them to envision retirement from a broad based prospective. This will include the implementation of financial education incorporating aspects of the state's Plan 3 (DB/DC) and the Deferred Compensation Program (DCP). More details regarding this education program will be found later in the document

DRS has issued this Request for Proposal (RFP) to procure third party record keeping services for the DCP and the defined contribution component of each of the following plans: Teachers' Retirement System (TRS) Plan 3, School Employees' Retirement System (SERS) Plan 3, and Public Employees' Retirement System (PERS) Plan 3 defined benefit plans.

This bid does not include investment management services. It is the intent of DRS to maintain the current lineup of investment options for the Plans as selected by the WSIB.

Further, it is the intent of DRS as part of this process to identify the best service model available to deliver the exemplary service to participants required. This RFP includes multiple bidding scenarios to provide services to the Plans.

Scenario One: Provide Third Party Administrator (TPA) services for Plan 3

Scenario Two: Provide TPA services for DCP

Scenario Three: Combine the Plans under one TPA.

Bidders that submit a proposal for scenario three must complete the questionnaires for both scenario one and two.

Each of these scenarios will be evaluated in detail by DRS and its independent consultant, Cammack Retirement Group.

Please note that though DRS utilizes an unbundled approach to the delivery of services, there is no prohibition against current investment managers who also offer third party recordkeeping services from submitting proposals to provide TPA services as well.

1.2 DEFINITIONS

Definitions for the purposes of this RFP include:

Agency or DRS. The Department of Retirement Systems (DRS), as described in chapter 41.50 RCW, is DRS of the state of Washington issuing this RFP.

Apparent Successful Bidder (ASB). The Respondent selected as the entity to perform the anticipated services, subject to completion of contract negotiations and execution of a written contract.

Contract Manager. The individual designated by DRS to direct work under this contract and act as the approval authority for all things related to this contract.

DCP. The Washington State Deferred Compensation Program.

Director. DRS employee authorized by RCW 41.50.020 who serves as the executive and administrative head of DRS.

JRA. Washington State Judicial Retirement Account.

PERS. Washington State Public Employees' Retirement System.

Plan 3. The defined contribution component of the PERS, SERS, and TRS retirement systems.

Proposal. A formal offer submitted in response to this solicitation.

Request for Proposals (RFP). This formal procurement document, its addendum, Respondents' written questions and DRS' answers, and any related correspondence that is: (1) addressed to all Respondents and (2) signed by the Director, her designee, or the RFP Coordinator.

Respondent. The individual, company, or firm intending to submit or submitting a proposal in order to enter into a contract with DRS.

SERS. Washington State School Employees' Retirement System.

TPA. Third Party Administrator or record keeper.

TRS. The Washington State Teachers' Retirement System.

WEBS. This RFP was posted to the Washington Electronic Business Solutions (WEBS) Web site, hosted by the Department of Enterprise Services. The RFP and any addenda, including Respondent questions and DRS answers, to this RFP will be posted to WEBS. Proposing TPA firms are responsible for checking WEBS for this information.

WSIB or The Board. Washington State Investment Board, consisting of the policy board described in RCW 43.33A.020 and staff authorized by RCW 43.33A.100.

Additional definitions are provided within the General Terms and Conditions contained in the **Sample Contract**, attached as **Exhibit B** of this RFP.

1.3 BACKGROUND

DRS is a state agency created by the 1976 Washington State Legislature. Enabling legislation is found in chapter 41.50 Revised Code of Washington (RCW). DRS administers the state's eight public sector retirement systems with 15 separate plans that have a combined total value of approximately \$80 billion. The retirement systems and plans are as follows:

- Judges' Retirement Fund
- Judicial Retirement System
- Law Enforcement Officers' and Fire Fighters' Retirement System Plan 1 and Plan 2
- PERS Plan 1, Plan 2, and Plan 3
- Public Safety Employees' Retirement System Plan 2
- SERS Plan 2 and Plan 3
- TRS Plan 1, Plan 2, and Plan 3
- Washington State Patrol Retirement System Plan 1 and Plan 2

All are defined benefit plans; PERS Plan 3, SERS Plan 3, and TRS Plan 3 each have a defined contribution component. DRS also administers DCP which is a voluntary 457(b) plan for state and local government employees.

The WSIB, a state agency created by the 1981 Washington State Legislature, invests and manages the defined benefit trust funds, determines investment options for the defined contribution component of Plan 3 and the DCP funds, and either manages or oversees the management of the investment options provided to Plan 3 members and DCP participants.

A. Overview of Plan 3

The defined contribution component of PERS, SERS, and TRS Plan 3 offers members the option to direct their contributions to one of two investment programs: the *WSIB Total Allocation Portfolio (TAP)* or the *Self-Directed Investment Program*. The three plans currently have approximately 188,000 accounts, including active, inactive, and beneficiary. Plan 3 accounts have a market value of approximately \$10 billion. Plan 3 is currently administered by ICMA-Retirement Corporation. Additional information is available on the current website <http://www.icmarc.org/washingtonstate.html>.

Structure and Administration

The structure and administration of Plan 3 is differentiated from other plans administered by DRS by the following features and components:

- A defined benefit calculated with a one percent formula that is funded by employer contributions, and a defined contribution account consisting of member contributions plus the full investment return accumulated on those contributions.
- Two investment programs in which Plan 3 members can invest their defined contributions: a) an investment option (known as the WSIB-Total Allocation Portfolio) managed by the WSIB, made available at no additional cost to the member (administrative costs are paid by the state); and b) a series of Self-Directed investment options providing exposure to most major asset classes with associated administrative expenses paid by electively participating membership.
- Record keeping, investment education, and communication services supplied by a contracted record keeper hired by DRS through this RFP.
- Contribution rate options established by the Director.
- Plan 3 members, who choose or are defaulted to a contribution rate, can change their

- contribution rate when they change public sector employers.
- A range of defined contribution account distribution options, including annuity options administered by DRS and the record keeper.
- There is an annual opportunity for Plan 2 members of PERS, SERS and TRS, who were in a Plan 2 before Plan 3 started, to transfer to Plan 3.

B. Overview of DCP

The Deferred Compensation Program is an Internal Revenue Code (IRC) governmental 457 plan administered by DRS for state and local government employees. There are nearly 53,000 participants in the plan with more than 31,000 participants actively contributing. The majority of active participants (18,000) are employed by the state of Washington. The program also serves participants in approximately 800 political subdivisions (cities, counties, school districts, etc.), as well as community colleges and other institutions of higher education. Current market value of the total investments in the plan is approximately \$3.4 billion. DCP is currently administered by Great-West Life & Annuity Insurance Company. Plan information may be found at <https://washington.gwrs.com/login.do>

DRS also provides a separate IRC 401 (a) account, the Judicial Retirement Account (JRA,) for members of the Judicial Retirement System and judges, who are members of PERS. The JRA plan is administered by DCP and provides the same investment options and services as those available to DCP participants. The plan has 6 active and 153 inactive members, and contributions are received from both employers and employees. Market value of the plan is approximately \$13 million.

1.4 BID REQUIREMENTS

It is DRS' intent to enter into one or more fixed price contracts with one or more record keeper(s) to provide the services requested in this RFP. The fees proposed must cover the five-year period of record keeping performance, three base years (July 1, 2015 – June 30, 2018) and two one-year extensions at the discretion of DRS (through June 30, 2020). The fees for the five year period will be negotiated prior to the start of the agreement.

Additional information about the **Fee Proposal** is available in **Exhibit C**.

1.5 PERIOD OF PERFORMANCE

The period of performance of any contract(s) resulting from this RFP is expected to begin on or about July 1, 2015 and to end on June 30, 2018. A transition period, if necessary, is expected from January 1, 2015 - June 30, 2015. Record keeping services are expected to begin July 1, 2015 and continue through June 30, 2018. Contract negotiations will begin upon selection of an ASB.

1.6 ADA

The DRS complies with the Americans with Disabilities Act (ADA). Respondents may contact the RFP Coordinator to receive this Request for Proposals in an alternate format.

2 GENERAL INFORMATION FOR RESPONDENTS

2.1 RFP COORDINATOR

The RFP Coordinator is the sole point of contact in DRS for this procurement. Throughout the duration of the procurement process, all questions and other communications concerning the procurement are to be directed, in writing, to the contact listed below. **Unauthorized contact regarding the procurement with other DRS staff or the RFP evaluators after issuance of this RFP may disqualify the Respondent.**

Name	Jilene Siegel
Mailing Address	P.O. Box 48380 Olympia, WA 98504-8380
Street Address	OR 6835 Capitol Blvd. SE Tumwater, WA 98501
Phone Number	(360) 664-7291 or (800) 547-6657, option 1, ext. 47291
TDD Number	7-1-1 or 1-800-833-6388
E-Mail Address	jilenes@drs.wa.gov

2.2 ESTIMATED SCHEDULE OF PROCUREMENT ACTIVITIES

Publish Intent to Issue RFP	June 13, 2014
Issue Request for Proposals via WEBS	June 23, 2014
Vendor questions due	July 1, 2014
DRS answers posted	July 11, 2014
Complaints due	July 18, 2014
Proposals due	July 25, 2014 by 3:00 pm PDT
Evaluate proposals	July 25 – August 22, 2014
Conduct interviews, if required	September 8 - 12, 2014
Conduct site visits, if required	September 22 - 26, 2014
Announce ASB and send notification via e-mail to unsuccessful Respondents	October 3, 2014
Last day to request debriefing conference	October 10, 2014
Last day to submit a protest	October 24, 2014
Negotiate and sign contract	No later than December 31, 2014

Transition activities begin	January 1, 2015
Record keeping activities begin	July 1, 2015

DRS reserves the right to revise the above schedule as needed and post any revisions to WEBS, of which it is the responsibility of the Respondent to keep apprised of any changes to the schedule.

2.3 RESPONDENT QUESTIONS

Respondents may submit written questions to DRS, via the RFP Coordinator, by e-mail, during the question and answer period. Questions must be received by the date indicated above. DRS will respond to all questions by posting the questions and the answers on WEBS by the date indicated above. DRS will be bound only to written answers to questions.

2.4 COMPLAINT PROCEDURE

A potential Bidder may file a complaint regarding the proposal process. Grounds for the complaint may include:

- The solicitation unnecessarily restricts competition.
- The solicitation evaluation or scoring process is unfair or flawed.
- The solicitation requirements are inadequate or insufficient to prepare a response.

Interested Bidders should note that, if they choose not to file a complaint, they waive their right to file a protest based on the proposal process that could have been raised in a pre-proposal complaint.

The complaint must be submitted in writing or by email to the RFP Coordinator no later than five business days before the bid response deadline, or July 18, 2014, whichever is later.

The complaint must contain:

- The complainant's name, mailing address, telephone number, and e-mail address.
- A clear and specific statement articulating the basis for the complaint.
- A proposed remedy.

DRS will send a written response to the complainant before the deadline for bid submissions. The response will explain DRS' decision and any steps it will take in response to the complaint. The complaint and the response, including any changes to the solicitation that may result, will be posted on DRS' website and on WEBS.

2.5 SUBMISSION OF PROPOSALS

Respondents are required to submit two (2) bound and six (6) unbound copies of their response. Two copies must have original signatures and six (6) copies can have photocopied signatures. One of the copies with original signatures must be unbound and marked "Master Copy." Additionally, you are required to submit a copy of the completed questionnaire and

fee proposal electronically to jilenes@drs.wa.gov and ewrightson@cammackretirement.com; the documents must be in Adobe Portable Document Format (“PDF”).

The proposal, whether mailed or hand delivered, must arrive at DRS no later than 3:00 p.m., Pacific Daylight Time, on the proposal due date. The proposal should be sent to the address noted in Section 2.1. The envelope should be clearly marked to the attention of the RFP Coordinator and indicate the RFP number: 14-008-02.

Respondents mailing proposals should allow normal mail delivery time to ensure timely receipt of their proposals by the RFP Coordinator. The official submittal must be a hard copy received by the deadline; subsequent electronic copies will not be considered official submission. Respondents assume the risk for the method of delivery chosen. DRS assumes no responsibility for delays caused by any delivery service. Notwithstanding RCW 1.12.070, postmarks will not be considered as date received for purposes of this RFP. Late proposals will be considered non-responsive and will be automatically disqualified from further consideration.

All proposals and any accompanying documentation become the property of DRS and will not be returned.

2.6 PROPOSAL FORMAT

All proposals must be on 8 ½ x 11-inch paper and placed in binders with tabs separating the major sections of the proposal. The sections must include, in the order indicated below:

1. Letter of Submittal, including signed **Certification and Assurances (Exhibit A)**
2. Executive Summary
3. Responses to Questionnaire
 - Scenario One: Plan 3 Section 7.1 (including questions 1-298)
 - Scenario Two: DCP Section 7.2 (including questions 299-616)
 - Scenario Three: Plan 3 and DCP Sections 7.1-7.3 (including questions 1-691)

Please note that bidders that elect to submit a proposal for scenario three must complete all questions in the questionnaire (questions 1 – 691)

4. Fee Proposal (**Exhibit C**)
5. Any supplemental information the Respondent wishes to include relevant to this RFP.

2.7 SIGNATURES

The Letter of Submittal and the Certifications and Assurances form must be signed and dated by a person authorized to legally bind the Respondent to a contractual relationship, e.g., the President or Executive Director if a corporation, the Managing Partner if a partnership, or the Proprietor if a sole proprietorship as well as a senior member of the Legal Department.

2.8 PROPRIETARY INFORMATION/PUBLIC DISCLOSURE

Proposals submitted in response to this competitive procurement will become the property of DRS. All proposals received will remain confidential until the agency announces the ASB; thereafter, the proposals will be deemed public records as defined in Chapter 42.56 of the Revised Code of Washington (RCW) except as exempted in that chapter.

Respondents are advised that permissible exemptions from public disclosure pursuant to chapter 42.56 RCW are very narrow in scope and strictly construed. Any information in the proposal that the Respondent desires to claim as proprietary and exempt from disclosure under the provisions of chapter 42.56 RCW must be clearly designated in the transmittal letter. The information must be clearly identified and the particular exemption from disclosure upon which the Respondent is making the claim must be cited. Also, each page containing the information claimed to be exempt from disclosure must be clearly identified by the word "Confidential" printed on the lower right hand corner of the page. Marking the entire proposal exempt from disclosure or as confidential will not be honored. The fee proposal may not be marked as confidential, and any such marking will not be honored.

If a public records request is made for the information that the Respondent has marked as "Confidential" DRS will notify the Respondent of the request and of the date that the records will be released to the requester. All nonexempt information pursuant to chapter 42.56 RCW will be released on the specified date unless the Respondent obtains a court order enjoining that disclosure.

2.9 REVISIONS TO THE RFP

In the event it becomes necessary to revise any part of this RFP, addenda will be posted on WEBS. For this purpose, the published questions and answers and any other pertinent information will be considered an addendum to the RFP and also posted on WEBS.

DRS also reserves the right to cancel or to reissue the RFP in whole or in part, prior to execution of a contract. It is the responsibility of the Respondents to keep apprised of any changes or addendums to this RFP.

2.10 MINORITY AND WOMEN-OWNED BUSINESS PARTICIPATION

In accordance with the legislative findings and policies set forth in chapter 39.19 RCW, the state of Washington encourages participation in all of its contracts by firms certified by the Office of Minority and Women's Business Enterprises (OMWBE). Participation may be either on a direct basis in response to this solicitation or on a subcontractor basis. However, no preference will be included in the evaluation of proposals, no minimum level of MWBE participation will be required as a condition for receiving an award, and proposals will not be rejected or considered non-responsive on that basis.

2.11 ACCEPTANCE PERIOD

Proposals must provide 180 days for acceptance by Agency from the due date for receipt of proposals.

2.12 RESPONSIVENESS

All proposals will be reviewed by the RFP Coordinator to determine compliance with administrative requirements and instructions specified in this RFP. The Respondent is specifically notified that failure to comply with any part of the RFP may result in rejection of the proposal as non-responsive.

DRS also reserves the right, however, at its sole discretion to waive minor administrative irregularities.

2.13 CLARIFICATION OF PROPOSAL

The RFP Coordinator may contact the Respondent for clarification of any portion of the Respondent's proposal.

2.14 MOST FAVORABLE TERMS

DRS reserves the right to make an award without further discussion of the proposal submitted. Therefore, the proposal should be submitted initially on the most favorable terms that the Respondent can propose. The Respondent may not amend a submitted proposal, and may not submit supplemental material or information, unless specifically requested by DRS. DRS does reserve the right to contact a Respondent for clarification of its proposal. Responses consisting solely of marketing materials are not acceptable and will be rejected.

The Respondent should be prepared to accept this RFP for incorporation into a contract resulting from this RFP. Contract negotiations may incorporate some or all of the Respondent's proposal. It is understood that the proposal will become a part of the official procurement file on this matter without obligation to DRS.

The "Best and Final Offer" is an option available to DRS under the RFP process allowing one or more Respondents to submit a best and final offer. Respondents may be contacted asking that they submit their best and final offer. Respondents should not submit a best and final offer unless contacted by DRS. DRS reserves the right to negotiate with the ASB for any type or combination of fee structures.

2.15 CONTRACT AND GENERAL TERMS & CONDITIONS

The ASB will be expected to enter into a contract, which is substantially the same as the **Sample Contract** and its general terms and conditions attached as **Exhibit B**. In no event is a Respondent to submit its own standard contract terms and conditions in response to this solicitation. A Respondent's request for substantial modification of the sample contract will be viewed as a non-responsive proposal resulting in the disqualification of the Respondent. Determination of what constitutes substantial modification rests solely with DRS. The Respondent may submit exceptions as allowed in the **Certifications and Assurances** section, **Exhibit A** to this solicitation. DRS will review requested exceptions and accept or reject the same at its sole discretion.

2.16 COSTS TO PROPOSE

DRS is not liable for any costs incurred by the Respondent in preparation of a proposal submitted in response to this RFP, in conduct of a presentation, or any other activities related to responding to this RFP.

2.17 NO OBLIGATION TO CONTRACT

This RFP does not obligate the state of Washington or DRS to contract for services specified herein. The ASB is advised that the contract is valid and enforceable only if sufficient funds have been appropriated by the state Legislature. Additionally, the contract is subject to any additional restrictions, limitations, or conditions enacted, which may affect the provisions, terms, or funding of the contract in a timely manner.

2.18 REJECTION OF PROPOSALS

DRS reserves the right at its sole discretion to reject any and all proposals received without penalty and not to issue a contract as a result of this RFP.

2.19 COMMITMENT OF FUNDS

The Director of the DRS is the only individual, who may legally commit DRS to the expenditures of funds for a contract resulting from this RFP. No cost chargeable to the proposed contract may be incurred before receipt of a fully executed contract.

2.20 SITE SECURITY

Any contractors on-site must comply in all respects with physical, fire, and other agency security regulations as well as complying with all agency practices, standards, and policies. For example, contractors must use all state resources appropriately as identified in agency and state policies.

2.21 INSURANCE COVERAGE

The Respondent must indicate in the letter of submittal and as a condition of contract award, that the Respondent will provide proof of insurance with a Certificate of Insurance executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth below.

The successful Vendor will, at Vendor's own expense, obtain and keep in force insurance coverage, which must be maintained in full force and effect during the term of the contract. The Vendor must furnish evidence in the form of a Certificate of Insurance that insurance will be provided, and a copy must be forwarded to the Agency within 15 days of the contract effective date. The Vendor must at all times during the term of the contract carry and maintain insurance with the following limits:

Liability Insurance

Commercial General Liability Insurance (CGL): Vendor will maintain general liability insurance and, if necessary, commercial umbrella insurance, with a limit of not less than \$1,000,000 per each occurrence. If CGL insurance contains aggregate limits, the general

aggregate limit will be at least twice the “each occurrence” limit. CGL insurance will have products-completed operations aggregate limit of at least two times the “each occurrence” limit. CGL insurance will be written on ISO occurrence form CG 00 01 (or a substitute form providing equivalent coverage). All insurance will cover liability assumed under an insured contract (including the tort liability of another assumed in a business contract), and contain separation of insured’s (cross liability) condition.

Additionally, the Vendor is responsible for ensuring that any subcontractors provide adequate insurance coverage for the activities arising out of subcontracts.

Business Auto Policy: As applicable, the Vendor will maintain business auto liability and, if necessary, commercial umbrella liability insurance with a limit not less than \$1,000,000 per accident. Such insurance will cover liability arising out of “Any Auto”. Business auto coverage will be written on ISO form CA 00 01, 1990 or later edition, or substitute liability form providing equivalent coverage.

Employer’s Liability (“Stop Gap”) Insurance

In addition, the Vendor will buy employer’s liability insurance and, if necessary, commercial umbrella liability insurance with limits not less than \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease.

Additional Provisions

Above insurance policy will include the following provisions:

- **Additional Insured.** DRS, its elected and appointed officials, agents and employees will be named as an additional insured on all general liability, excess, umbrella and property insurance policies. All insurance provided in compliance with this contract will be primary as to any other insurance or self-insurance programs afforded to or maintained by the state.
- **Cancellation.** DRS will be provided written notice before cancellation or non-renewal of any insurance referred to therein, in accord with the following specifications. Insurers subject to 48.18 RCW (Admitted and Regulation by the Insurance Commissioner): The insurer will give the state 45 days advance notice of cancellation or non-renewal. If cancellation is due to non-payment of premium, the state will be given ten days advance notice of cancellation. Insurers subject to 48.15 RCW (Surplus lines): The state will be given 20 days advance notice of cancellation. If cancellation is due to non-payment of premium, the state will be given ten days advance notice of cancellation.
- **Identification.** Policy must reference the state’s contract number and DRS name.
- **Insurance Carrier Rating.** All insurance and bonds should be issued by companies admitted to do business within the state of Washington and have a rating of A-, Class VII or better in the most recently published edition of Best’s Reports. Any exception will be reviewed and approved by DRS, the risk manager for the state of Washington, before the contract is accepted or work may begin. If an insurer is not admitted, all

insurance policies and procedures for issuing the insurance policies must comply with Chapter 48.15 RCW and 284-15 WAC.

- **Excess Coverage.** By requiring insurance herein, the state does not represent that coverage and limits will be adequate to protect Vendor, and such coverage and limits will not limit Vendor’s liability under the indemnities and reimbursements granted to the state in this contract.

Workers’ Compensation Coverage

The Vendor will at all times comply with all applicable workers’ compensation, occupational disease, and occupational health and safety laws, statutes, and regulations to the full extent applicable. The state will not be held responsive in any way for claims filed by the Vendor or their employees for services performed under the terms of this contract.

Errors, Omissions, or Malpractice Insurance

As applicable, the company will carry and maintain Errors & Omissions Insurance or Malpractice Insurance with limits of \$10,000,000 aggregate.

3 PLAN SUMMARIES AND SPECIFICATIONS

3.1 PLAN 3 SUMMARY – all plan provisions are subject to change

Type of Plan	401(a) – defined benefit plan with a defined contribution component
Participant Contributions	Mandatory – Percentage of pay, six rate schedules, some vary based on age
Deposit Frequency	State and Higher Education: 10th & 25th of the month Local Government: daily
Participant Investment Direction	Yes
Investment Options	1. <i>WSIB Investment Program</i> - made up of Total Allocation Portfolio (TAP) managed by the Washington State Investment Board 2. <i>Self-Directed Investment Program</i> - made up of funds managed by WSIB or hired by WSIB as a sub-manager (see Exhibit N)
Frequency of Valuation	WSIB Investment Program (TAP): monthly valued, approximately 25 to 28 days after month end. Self-Directed Investment Program: daily
Investment Management Fees	Disclosed but netted prior to calculation of Net Asset Value (NAV)
Record Keeping Services	WSIB Investment Program (TAP): Paid for by state Self-Directed Investment Program: Paid by members
In-service Withdrawals	No, not permitted
Loans	No, not permitted

Vesting	100% immediate
Participant Statements	Quarterly
Payout Elections	May be deferred until Required Minimum Distribution (RMD) date
Rollovers	To other qualified plans and IRAs
Payout Options	WSIB Investment Program (TAP): Lump sum, installment and annuities
	Self-Directed Investment Program: lump sum, installment, and annuities
Administrative Structure	Unbundled
Current TPA	ICMA-Retirement Corporation
Trustee/Custodian	State Street

3.2 DCP PLAN SUMMARY – all plan provisions are subject to change

	457 Plan	Judicial Retirement Account
Type of Plan	457(b)	401(a)
Participant Contributions	Voluntary, pre-tax and Roth 457(b) (effective date to be determined), up to IRC limits	2.5% mandatory
Employer Contributions	None	2.5%
Investment Options	Please see Exhibit O	Please see Exhibit O
Contributions As:	Flat Dollar and Percentage of Pay	Percentage of Pay
Deposit Frequency	Majority (State employees and Higher Ed): 10th & 25th of the month Local government: daily	10th & 25th of the month
Participant Direction	Yes	Yes
Frequency of Valuation	Daily	Daily
Investment Management and Related Fees	Quarterly	Quarterly
In-service Withdrawals	Yes, for unforeseen financial hardship and voluntary de minimis distributions	Not permitted
Loans	Not available	Not available
Vesting	100% immediate	100% immediate
Participant Statements	Quarterly	Quarterly
Distribution Elections	May be deferred until RMD date	May be deferred until RMD date
Rollovers	To other qualified plans and IRAs	To other qualified plans and IRAs
Distribution Options	Lump sum, installment payment, annuities and rollovers	Lump sum, installment payment and rollovers
Current TPA	Great-West Life & Annuity Insurance Company	Great-West Life & Annuity Insurance Company
Trustee/Custodian	State Street	State Street

4 SCOPE OF SERVICES OVERVIEW

The DRS is committed to providing exemplary customer service as it helps public employees prepare for retirement and expects the same level of service from the selected vendor(s). Due to the size and scope of the Plan 3 and DCP, a detailed scope of the needs, requirements, and expectations for the implementation has been attached in **Exhibit J** and **Exhibit K**. Please pay special attention to these Exhibits as they detail the unique plan design features of Plan 3 and DCP that the ASB will be required to understand and accommodate.

Examples of unique features of Plan 3 include:

- The WSIB-TAP Fund and the Self-Directed Investment Programs
- The ability for members to transfer from Plan 2 to Plan 3
- Investment direction changes between WSIB-TAP and the Self-Directed Investment Program
- Distribution options from the WSIB-TAP and Self-Directed Investment Program and the availability of an annuity shopping service
- Deduction of plan fees

Examples of unique features of DCP include:

- The Savings Pool and Variable Funds investment offerings
- Deduction of plan fees
- Distribution options and the availability of an annuity shopping service

DRS' commitment to customer service also encompasses a robust communication and education program for participants and retirees. The DRS' goal is to provide employees with educational and financial tools that are user friendly and understandable. Additionally, DRS is looking to implement a financial education program that incorporates aspects of Plan 3 (DB/DC) and DCP in order to provide employees with a better understanding of their benefits and ensure retirement readiness.

The vendor must work with the DRS to develop a customized communication campaign and educational services for each plan that includes:

- Periodic benefits statement incorporating aspects of the DC and DB plans as well as Social Security estimates
- Call center services for Plan 3 and DCP
- Web-based tools and applications including financial modeling software and calculators
- Smartphone/tablet technology
- Videos and/or video conferencing technology*
- Group-level employee sessions throughout the state*

- Production and distribution of various printed materials to employees including plan overviews, investment and annuity guides and quarterly newsletters.
- Development and maintenance of websites for Plan 3 (Basic Plan 3 Website and the Plan Choice Website) and the DCP.

*A detailed overview of the current and expected record keeper responsibilities with regards to education services is included in **Exhibit Q**.

It is requested that bidders provide price quotes for differing levels of education service as described in **Exhibit C – Fee Proposal**. Please review **Exhibit Q** for details on the different tiers of service that should be included in the proposal.

Specific details regarding the implementation of services, expected processes and plan details as well as a greater overview of the financial education programs for both plans is provided in **Exhibit J and K**.

Additions or modifications to the expectations listed above or to those detailed in the Exhibits must be agreed upon by DRS and the ASB during contract negotiations.

5 VENDOR MINIMUM QUALIFICATIONS

As of January 1, 2015, Respondents must satisfy *all* of the following mandatory minimum qualifications as outlined below in order to be considered for the contract award.

1. The Respondent must certify that they are a qualified firm to provide third-party administrative services pursuant to Section 401 and 457 of the Internal Revenue Code, including all rules and regulations of Washington State.
2. The Respondent must offer the following 401(a) and 457(b) defined contribution services – (a) recordkeeping and administration, (b) employee communication and education, (c) investment management, (d) call center/website, and (d) managed account/investment advisory/self-directed brokerage.
3. The Respondent must be able to support and offer the Plans’ current investment offerings as indicated in **Exhibit N and Exhibit O** as well as be able to support any future investment changes as directed by the Washington State Investment Board (“WSIB”).
4. The Respondent must be a direct provider of the requested services (not a third-party broker).
5. The Respondent must have at least \$2 billion in defined contribution assets under administration.
6. The Respondent must have provided record keeping, administrative and employee communication services for defined contribution plans for a minimum of ten years.

7. The Respondent must have at least ten defined contribution plan accounts each with 10,000 or more participants.
8. The Respondent must accept the terms of the written contract as supplied by DRS.
9. The Respondent in its contract and/or service agreement may not preclude the DRS from submitting a proposal and/or soliciting local governmental political entities or subdivisions from participating in the Plans.
10. The Respondent must have the Letter of Submittal and the Certifications and Assurances form signed and dated by a person authorized to legally bind the Respondent to a contractual relationship, e.g., the President or Executive Director if a corporation, the Managing Partner if a partnership, or the Proprietor if a sole proprietorship as well as a senior member of the Legal Department.
11. The key professionals and/or the organization (or affiliate) must not have a material conflict with DRS or its consultant, Cammack Retirement Group.
12. The Respondent will be required to provide DRS with proof of errors and omissions or malpractice insurance in the amount of \$10,000,000.
13. The Respondent must meet all Washington State Information Technology security requirements for securing participant account information as outlined in **Exhibit I**.
14. The Respondent must be able to provide DRS and its auditors with specific audit information as requested, including, but not limited to an independent IT security audit to determine compliance with the 11 standards found in **Exhibit I**. This information is in addition to the annual Statement on Standards for Attestation Engagements (SSAE) No. 16 reporting on Controls.
15. The Respondent must be able to work with the Plans' current custodian State Street as well as any future custodians chosen by the state and meet all of the banking qualifications of the State Treasurer's Office.
16. The Respondent must provide a senior representative who can act as the single point of contact, be accountable and serve as an advocate for the DRS, and meet on a quarterly basis with the DRS. Additionally, the Respondent should work with the DRS to establish an annual business plan encompassing overall plan goals (e.g. employee education) to be reviewed and monitored at least annually.
17. As part of its service team the Respondent must provide a representative to work with DRS on all day-to-day administrative and operational issues.
18. The Respondent must provide reports to DRS regarding participant account activity, financial transactions (as described in **Exhibits G and L**) and reconciliations between the custodian and record keeper. Ad hoc reporting may be requested by DRS.

19. The Respondent must provide resources to support the on-going education of employees. This includes a customer call service center. The Respondent that elects to provide field service representatives utilizing a joint-venture must have a minimum of five (5) years relationship with the proposed service provider. Field representatives may not have commission-based compensation. Details of the representative compensation structure must be fully disclosed.
20. The Respondent must have the capability to establish a two-way data interface with DRS and to absorb any programming costs to accommodate any changes.
21. The Respondent must be able to accommodate a 6 month transition period to begin on **January 1, 2015** with a plan effective date of **July 1, 2015**.

RESTRICTIONS: Any company, which -- either as a parent company, subsidiary, or affiliate -- is currently performing consulting services for DRS, may not compete in this procurement. The firm(s) or any subsidiary, affiliate or parent company thereof, selected as a result of this procurement may not compete during the term of the resulting contract, any extensions thereto, or in any subsequent DRS procurement, the main purpose of which is to hire a firm or firms for consulting purposes. Companies holding alliance, partnership, or other business affiliations with the consultant assisting DRS in the third party record keeping and selection process will be excluded from eligibility to respond to the record keeping RFP. Respondents must indicate their understanding and agreement to this by signing the **Certification and Assurances** statement, which is **Exhibit A** at the end of this RFP.

6 EXECUTIVE SUMMARY

Each proposal must include a high level summary of the proposal, highlighting the strengths, experience, and background of your company. If responding to Scenario 3, please include the benefits of using a single record keeper. The summary must be no more than three pages in length.

7 QUESTIONNAIRE

In providing your company's responses to the questions below, restate each question in **bold** face type with your response directly below. Your company's proposal, and consequently your responses to the following questions, will be incorporated as part of the contract between your company and DRS.

7.1 PLAN 3

SCOPE OF SERVICES REVIEW – PLAN 3

Each company submitting a proposal is responsible for thoroughly reviewing the Scope of Services in **Exhibit J**. Based on the review of the Scope of Services, complete the following table. The Department of Retirement Systems (DRS) does not anticipate substantial exceptions to the Scope of Services, if any, but any exceptions must be noted in this table. Responses provided will be considered as part of the evaluation of the questionnaire. In addition, DRS reserves the right to negotiate more favorable standards than those indicated in the Scope of Services

You may complete the table provided below, or you may provide the table as an appendix item to your proposal. In completing the table, provide the following information in the appropriate column:

I – Confirm that you have reviewed the appropriate section of the Scope of Services - **Exhibit J**. (Yes/No)

II – Identify if your firm can provide each service contained in the appropriate section of the Scope of Services - **Exhibit J**, including meeting all time frames, performance standards, deadlines, and providing all deliverables and services exactly as described. (Yes/No)

III – Indicate whether you currently provide the services exactly as described for one or more clients. (Yes/No)

If you indicated “yes” in columns I - III, you may indicate “N/A” for columns IV and V.

IV – For each service in column III that you have indicated “no”, describe your standard approach and how it differs from the Scope of Services - **Exhibit J**.

V – For each service in column III that you have indicated “no”, identify if you are willing to adjust your standard approach to provide the service exactly as requested. If there are any limitations or maximums that you expect to place on the services provided, these must be included/footnoted in the Scope of Services - **Exhibit J** Review (Yes/No)

VI – If you are willing to provide the services exactly as requested, but believe that there would be benefits (such as cost savings or improved service) to making a minor adjustment to the services outlined in the Scope of Services - **Exhibit J**, describe the adjustment and the benefits.

Scope Section	I	II	III	IV	V	VI
4.1.1 Implementation of Services						
Entire Section						
4.1.2 Communications						
Overall						
Development of Customized Education Plan						
General Communication Requirements						
Required Minimums						
Plan Administrative Forms						
Fulfillment Services						
Website						
Video						
In Person Education						
4.1.3 Enrollment						
Initial Member Record Set Up						
Transfers from Plan 2 to Plan 3						
Initial New Member Investment Program Allocation						
Rehires and Re-enrollments						
Maintaining Withdrawn Amounts						
4.1.4 Contribution Processing						
WSIB Investment Program (WSIB)						
SELF-Directed Investment Program						
Custody of Assets						
Suspense Items						
4.1.5 Ongoing Changes to Investment Direction						
Future Contributions						
Allocation Changes for Members Contributing to Self-Directed Investment Program						
Fund Transfers within SELF						
Investment Program to Investment Program Transfers						
4.1.6 Distributions						

Scope Section	I	II	III	IV	V	VI
In-Service						
Termination						
Disbursement Calculation and Allocation						
Stale Dated Checks						
Distribution Options – WSIB-TAP						
Distribution Options – Self-Directed						
Annuity Tax Reporting						
Reporting From Annuity Plans						
Annuity Shopping Service						
Distribution Processing						
Age 70 ½ Required Minimum Distribution (RMD)						
Survivor Benefits						
WSIB Special Exception Distribution						
Tax Withholding and Reporting						
4.1.7 Record Keeping						
Changes to Fund Managers						
Investment Valuation						
Account Information						
Property Division Order (PDO)						
Order to Withhold and Deliver (OWD) (Child Support Payments)						
Member Statements						
Plan Level Reporting						
Online Access						
4.1.8 Customer Service						
Voice Response System (VRS) and Internet						
Customer Service						
E-mail Inquiry Service						
Transaction Capabilities						
4.1.9 Computer Security						
Entire Section						
4.1.10 Program Audits						

Scope Section	I	II	III	IV	V	VI
Entire Section						
4.1.11 Supplemental Processing and Compliance Activities						
Overall						
ADA Compliance						
Alternate Communication Format						
Member Privacy						
Confirmation Letters						
Address Changes						
Undeliverable Mail and Statements						
Specialized Payments						
Correction of Contributions						
Correction of Earnings						
4.1.12 Plan Level Support Activities						
Entire Section						

For each scope section identified above, provide a description of how the services you provide will meet or exceed the services requested. Please be succinct with your answers.

QUESTIONNAIRE – SCENARIO ONE: PROVIDE TPA SERVICES FOR PLAN 3

Company Information

1. Provide your company's name, address and type of legal entity (corporation, limited liability company, joint venture, partnership, etc.).
2. Provide the name, title, address, telephone, e-mail address and fax numbers of the contact person or persons from your company whom we may contact with questions regarding your response. These individuals must be authorized to negotiate contracts regarding the scope, terms and pricing outlined in the proposal.
3. Provide a short description of your organization, the businesses in which it engages and the services it provides.
4. Supply an independently audited financial statement for the most recently closed fiscal year.
5. Please provide the current credit ratings from the four major ratings agencies – A.M. Best, Fitch, Moody's and S&P for your organization and its subsidiaries.
6. Are you currently participating in any alliances or joint marketing efforts? If so, please describe in detail.

7. Is your company a subsidiary or affiliate of another company? Provide full disclosure of all direct or indirect ownership.
8. Describe any pending agreements to merge or sell your company or any portion thereof or to acquire another company. If you can provide this information and it is confidential, please clearly so indicate.
9. Describe any pending or anticipated plans to reorganize your company within itself or as part of the larger organization of which your company is a part.
10. What is the last date when your firm or any component of the overall organization had a change in business structure; whether through an acquisition or divestiture or through an alliance arrangement? If applicable, how did this change in business affect the record keeping division and how the firm provides record keeping services?
11. Describe your errors and omissions coverage. Describe the various types of insurance coverage and indemnification provided to protect clients, including for each insurance type: risks covered, carriers, levels, limits, and deductibles.

Risk Covered				
Carriers				
Levels				
Limits				
Deductibles				

12. Describe your cyber liability coverage.
13. List all subcontractors proposed to be used to provide any of your services, and fully describe the nature of the services to be provided and the subcontractor's experience and expertise.
14. List other governmental retirement plans in the state of Washington that you currently provide services for. Would you expect to begin marketing within the life of this contract?
15. Describe to what extent your firm will serve as a fiduciary to the plans for any of the proposed services. Please provide details to fiduciary liability insurance, if applicable.
16. Describe the safeguards and procedures your company intends to provide to avoid complications and potential conflict in situations in which your company provides services to a local entity also participating in Plan 3. Would you be willing to remove any non-competitive clauses from your Washington State local government contracts?
17. Indicate which, if any, types of employees receive increased compensation (such as commissions, bonuses or incentive compensation) if the dollar amount deferred to the program increases.

18. If any of your employees are eligible to receive increased compensation based on performance, describe these compensation arrangements and the maximum percentage of each type of employee's total pay expected to be provided.
19. Has your company undergone any change in senior management in the last five years? Describe the change in detail.
20. Has your company ever filed or been petitioned into bankruptcy or insolvency or has your company ever made any assignment for the benefit of your creditors? If so, provide complete details.
21. Identify the number of geographic locations that provide each service and list the locations.

	Number	Locations
Redundant Operations		
Redundant call centers		

22. Please include a written copy of your organization's strategic plan. If you cannot provide the strategic plan, please provide a synopsis or summary of your organization's strategic plan, including the following:
 - Level of commitment management has to building market presence,
 - Plan for enhancing current products,
 - Plan for developing new products,
 - Plan for controlling growth of the defined contribution business, and
 - Plan for controlling the growth of administration beyond the defined contribution business.
23. Identify any leading edge products or services available from your company that would not be available from other firms. Identify future plans for developing additional products or services over the next three years.
24. Provide your sums for spending on the record keeping business in relation to your organization's total spending company-wide. If you cannot provide actual figures please provide the ratio of record keeping spending to total company spending within the given time frames. You do not need to provide ratio figures if you can provide total expenditures for the years listed:

	Record keeping expenditures	Total company expenditures	<u>Or:</u> Ratio of record keeping to total spending
Total for 2014*			
Total for 2013:	\$	\$	
Total for 2012:	\$	\$	
Total for 2011:	\$	\$	

*estimated

Defined Contribution Plan Experience

- 25. The administrative services requested for Plan 3, as described in the Scope of Services in **Exhibit J**, are extremely customized. Identify the current defined contribution client your company feels is most similar to DRS, in terms of customized services (preferably a governmental client). Describe the custom services you provide to this client, the size of the client, what unusual issues have occurred, and how the issues were resolved.
- 26. Give the number of years experience your company has in providing administrative services for Section 401(a) plans.
- 27. List the three largest governmental 401(a) plans you administer. Identify the plan name, plan type, assets and participants for each.
- 28. Identify the number of defined contribution plans you currently administer with the following number of participants:

Number of Members in Plan	<i>Number of DC Plans</i>	<i>Number of Governmental DC Plans</i>	<i>Number of Governmental 401(a) Plans</i>
Up to 1,000			
1,001 to 5,000			
5,001 to 10,000			
10,001 to 25,000			
25,001 to 50,000			
More than 50,001			
Total			

- 29. Identify the number of defined contribution plans you currently administer with the following assets:

Number of Members in Plan	<i>Number of DC Plans</i>	<i>Number of Governmental DC Plans</i>	<i>Number of Governmental 401(a) Plans</i>
Less than \$500 million			
\$501 million to \$1 billion			
\$1 to \$5 billion			
\$5 to \$10 billion			

Number of Members in Plan	Number of DC Plans	Number of Governmental DC Plans	Number of Governmental 401(a) Plans
More than \$10 billion			
Total			

30. Provide the total number of member accounts you administer on your record keeping system. How many are 401(a) participants?
31. How many DC plan clients and members have you gained and lost in the last three years for clients above and below \$1 billion in assets?

Below \$1 Billion

Year	Clients Added		Clients Lost	
	Number of Plans	Number of Participants	Number of Plans	Number of Participants
2013				
2012				
2011				

Above \$1 Billion

Year	Clients Added		Clients Lost	
	Number of Plans	Number of Participants	Number of Plans	Number of Participants
2013				
2012				
2011				

32. List the three defined contribution plans over \$1 billion which most recently retained your company's services. Include the plan type, approximate number of participants, total plan assets and the month and year your company was retained. Indicate which plans involve record keeping for unbundled investments separately selected by the plan.

Plan Name			
Plan Type			
# Participants			
Total Assets			
Month/Yr retained			
Service Provided			

33. List the three governmental defined contribution plans over \$1 billion that most recently terminated (or did not renew) your services. Provide a contact name, address, and phone number so that DRS may contact these plans. Include the approximate number of participants, total plan assets, and a brief description of services provided.

Plan Name			
Plan Type			
# Participants			
Total Assets			
Service Provided			
Reason for Termination			
Contact			
Phone #			

34. Provide as references three governmental defined contribution plans administered by your company for at least three years you consider most similar to that of DRS. Provide a contact name, address, and phone number so that DRS may contact these references. Include the approximate number of participants, total plan assets, and a brief description of services provided and why they are similar to those requested by DRS.

Plan Name			
Plan Type			
# Participants			
Total Assets			
Service Provided			
How similar to DRS			
Contact			
Phone #			

Contractual Issues

35. Indicate whether your company is a licensed broker/dealer and licensed to accept payment from investment companies for providing individual account record keeping, marketing and enrollment services.
36. Identify and describe any past, pending or threatened judicial or administrative litigation against you or in which you are litigating against someone else, within the past five years, related to services you are proposing.
37. Has your company been cited or threatened with citation within the last five years by federal or any state regulators for violations of any federal or state laws or regulations? If yes, please describe fully.
38. Has your company been involved in investigations within the last five years by federal or any state regulators? If yes, describe fully.

39. Has your company had a contract terminated by a client for cause within the last five years? If so, by whom and under what circumstances?
40. Is your company licensed to conduct business in the state of Washington?
41. Identify any potential conflict of interest, or appearance of a conflict of interest that your company would have in providing the services requested. Describe how you will handle this and why it should not be detrimentally viewed.

Conversion and Transition Support

42. List the roles and responsibilities of your conversion team. Identify the expected members by name if they have been identified. Identify what team members will be 100% dedicated to the conversion, and identify dates and number of team members that would be in Olympia.
43. Please provide the name and title of the individual who will be named as the Implementation and Transition Manager. Please include a biography and the number of conversions he/she is currently working to implement.
44. Provide a draft conversion plan, including target dates for appropriate milestones.
45. Comment on unique problems associated with plans with extensive customization, and approaches that limit risks during the conversion.
46. Describe how you would propose to communicate the implementation to participants.
47. If you are the incumbent provider, summarize any service and or price changes that are included in your proposal. How would you propose to communicate these to participants?
48. Do you currently have adequate staffing internally to staff for the Plan 3 implementation? If you expect to use existing staff, demonstrate how you will be able to handle the implementation of a plan this large. To the extent you do not, how will staff be added?
49. If any of the team members will not be working exclusively on this implementation, how many additional plans/programs will they be working on?
50. Describe any experience your company has had in conversions from the incumbent administrator. Provide brief reference and contact information for the three largest.
51. How do you monitor the effectiveness and quality of your conversion process and team?
52. Describe the most recent improvement your company has made to the transition process and the reason for the update. Have the results been as expected?

53. Describe the testing of data received from the previous record keeper. How do you confirm the data is consistent with previous test data?
54. Do you have the ability to receive and upload member transaction history from the former record keeper onto your system to ensure members continue to have access to these records? Please provide examples of how you have handled the transition of this data during previous conversions and solutions to any challenges you have encountered.
55. What documentation will be provided to DRS regarding tests conducted and their results? What level of failure will be deemed acceptable?
56. How many conversions and implementations has your company conducted during the past four years involving the following number of participants (not accounts)?

Number of Participants	Number of Defined Contribution Conversions
1 to 10,000	
10,001 to 25,000	
25,001 to 50,000	
Over 50,001	

57. Describe the on-site training you will provide to DRS employees (including staff who work with customers, technology, accounting, etc.). What are the qualifications and experience of individuals who will conduct the training? What skill-based training have they received that will enable them to provide clear information to attendees. Provide a sample training manual and materials.
58. Describe on-site training to DRS employees that will be provided on an on-going basis. Will you provide training as needed, on dates and times determined by DRS? Identify any limitations your pricing assumes.
59. Describe your ability to coordinate a post-transition audit. Have you provided this for other clients? If yes, what were the results?
60. Will there be a blackout period? If so for how long? Assume complete data is received from the prior record keeper in good order. Fully describe all the components and restrictions of the blackout period. Indicate a minimum and maximum number of days.
61. For conversions completed in the last two years, identify the average number of business days it has taken to complete the conversion after receipt of reconciled items. Identify the shortest time period and longest time period.

62. How will you guarantee your stated implementation time frame? How will you measure the success of the plan implementation?
63. Please provide the following statistics regarding the DRS conversion:

	<i>Response</i>	<i>Comments</i>
Minimum and maximum lead time from selection date until asset conversion date		
Minimum and maximum number of business days from receipt of reconciled data from prior record keeper until system "live date"		
Minimum number of business days from system "live date" (reconciliation data is loaded) until:		
Participant Internet inquiry access		
Plan Sponsor online/Internet access		
Transactions permitted during conversion blackout period		
Final distributions		
Other		

64. How do you propose to handle benefit payments?
65. List all conversions scheduled for the next 12 months and the scheduled completion dates.
66. What is the latest notification date your company requires in order to meet the identified implementation date of July 1, 2015?

Quality Assurance

67. Does your organization have an electronic monitoring system for client/plan sponsor inquiries?
- If yes:*
- Can the system track the type of inquiry?
 - Can the system track the required time to respond?

- Does the monitoring system track how often the same inquiries come through via feedback loop?

If no:

- Does your organization have a non-electronic monitoring system?

68. Briefly describe your management’s review of responses to client/plan sponsor inquiries. In your description, please address the following issues:

- What percentage of client/plan sponsor inquiries does senior management or supervisory staff review?
- How frequently are managerial reviews conducted?
- What levels of management conduct reviews of client/plan sponsor inquiries and the responses that the client relationship manager and/or administration staff provides?
- What type of feedback is given to the client relationship manager and/or staff as a result of these reviews, if any?

69. Please describe your proposed method for formally assessing member and employer satisfaction with the services your company provides.

70. Describe your method for assessing member satisfaction with the Internet services your company provides. Identify the results you have experienced. Do you have participant feedback that your Web site is user-friendly? What suggestions have been made for improvement?

71. How frequently do you conduct client satisfaction surveys of your clients (plan sponsor level)?

72. Will you provide an annual satisfaction survey of the Plan 3 participants? Describe the participant sampling and content you would suggest. Who will conduct these surveys?

73. Describe how you communicate the results of client and participant surveys.

74. As described in **Exhibit J**, the record keeper will put at risk a stated dollar amount for each day that the record keeper misses the agreed-upon implementation dates after receiving data in “good-order”. Please complete the grid with your quality performance standard for the transition/implementation.

Activity	Quality Performance Standard (business days)	Fees Placed at Risk (Plan 3)
Transition/Implementation	____ days from receipt of all required data in good order	Day 1-5: \$5,000/day Day 6-10: \$7,500/day Day 11 and ongoing: \$10,000/day

Additionally, each proposer will put at risk 10% of its annual fees based on the allocations indicated below. The satisfaction of each benchmark should be reported by the proposer on a quarterly basis for assessment by DRS.

Activity	Quality Performance Standard (business days)	Percentage of Fees Placed at Risk (Plan 3)
Contribution reconciliation and posting	____ days from receipt of payroll data	5.00%
Hardship withdrawals	____ days from receipt of request	N/A
Termination/Rollovers/Direct Transfers for Distribution	____ days from receipt of request	5.00%
Participant directed fund transfers	____ days from receipt of request	5.00%
Confirmations mailed	____ days from execution of transaction or request	5.00%
Participant statements mailed	____ days from period end	5.00%
Confirmation statements	____ days from period end	5.00%
Plan Level Reporting	____ days from month end	5.00%
Investment Election Requests	____ days from receipt of request	5.00%
Contribution Percentage Elections/Changes	____ days from receipt of request	5.00%
Property Divisions Order (Plan 3)/Domestic Relations Order (DCP) Processing	____ days from receipt of request	5.00%
System Availability: Voice Response Unit, Customer Call Center, Plan Sponsor and Participant Website	____ hours where system is unavailable	5.00%
Customer Call Center Average Wait Time	____ of calls answered within ____ seconds	5.00%
Customer Call Center Questions and Complaints	____ days from receipt of question/complaint	12.50%

Field Representative Availability	_____of one-on-one meetings occur within ____ days of request	5.00%
Group Education Meetings	_____of group meetings occur within ____ days of request	12.50%
Generation of Custom participant education materials, tools, and calculators	Available after ____ days of request	5.00%
Posting of Participant Data Maintenance File	_____ days from receipt of file	5.00%

75. Describe the internal auditing staff and functions performed regarding record keeping and trust services.
76. Does the internal auditing staff perform client specific audits?
77. Describe how your company will support the program audits as outlined in the Scope of Services in Exhibit J. Identify the three largest clients you perform similar services for, and describe the services provided for each client.
78. Are your record keeping system controls and administrative procedures audited by an independent accounting company on a regular basis? Confirm the frequency you have a Statement on Standards for Attestation Engagements (SSAE) No. 16 audit conducted, and include a copy of your most recent report.
79. Are your accounting reports customized? Describe a modification you have made for a plan sponsor.
80. What quality control systems do you have in place that ensures your activities meet your internal quality standards? Describe fully.
81. Describe the quality improvement system you have in place to ensure that your activities are continually improved to reflect industry best practices.
82. How will you assure quality service from your subcontracted companies, if any are used?
83. How will you assure that any subcontractor will maintain the privacy of data used in conducting the subcontracted service?
84. DRS places a value on maintaining consistent relationships with the personnel who work and the processes that support the record keeping engagement. How will you keep us up-to-date on personnel changes that impact this engagement?
85. When your automated systems or processes change, how will you keep DRS and Plan members up-to-date on system changes?

86. At what point do you elevate problems to DRS? What types of issues do you resolve internally? Describe your error notification and resolution process.

Record Keeping and Transaction Processing

87. Describe your procedures for ensuring that Plan 3 is in balance and reconciled on a daily basis.

88. Please confirm that your organization can work with the Plans’ current custodian, State Street, as well as any future custodians chosen by the state and meet all of the banking qualifications of the State Treasurer’s Office.

89. Describe your procedures for communicating purchase and sale directions (e.g. transfers, withdrawals, rollovers) to the custodian. Describe any separate processes that would apply for the stable value option or asset allocation portfolios.

90. Please list the team members assigned to service Plan 3. Please include each team member’s bio and years of experience servicing large public governmental defined contribution plans.

- Relationship Manager
- Day-to-Day Account Executive
- Implementation Manager
- Communications Consultant
- Compliance Manager

91. What was the total staff turnover for 2013? 2014?

	2013	2014
Number of FTE:		
Percent:		

92. What is the average tenure (in years) of the following positions with your organization?

Relationship Manager	
Day-to-Day Account Executive	
Processing/Operations Staff	
Senior Management	

93. Identify the hours of training provided to the following positions initially and on-going.

	Initial Annual (# hours)	On-going Annually (# hours)
Phone Service Representatives		

Relationship Manager		
Day-to-Day Account Executive		
Processing/Operations Staff		

94. Do you have a continuing education program in place for your personnel to stay current with changes in the law and investments? If so, describe in detail.
95. Do you currently have adequate staffing to staff for the services that will be provided to DRS? If not, how much staff will be added?
96. Provide your proposed staffing for the record keeping function and a description of the types of personnel to be involved. Also provide in an appendix an organizational chart and the names and resumes of individuals in your organization who would be primarily responsible for the record keeping function. Describe the roles, responsibilities and qualifications of each and provide a typical job description. Identify the number of FTEs that would be dedicated only to these plans.
97. What minimum licensing, degrees, or training is required to hold the following positions? Indicate “Y” or “N” for each requirement needed.

	College Degree	Advanced Degree	Series 6	Series 63	Series 7	Years of Related Work Experience
Phone Service Representatives						
Relationship Manager						
Day-to-Day Account Executive						
Plan Administrator						
Processing/Operations Staff						

98. Identify the client-specific contact(s) for plan administration services. Who will have overall responsibility for coordination of record keeping services?
99. What is the caseload for the relationship manager responsible for this program, as measured by number of programs? Is this the same person responsible for record keeping services?
100. For the following functions performed for DRS, identify which would be handled by a dedicated team and which would be handled by a functional group? Complete the table below indicating “yes” or “no” for the record keeping tasks.

	Dedicated Client Team	Functional Group
Contribution processing		
Distribution processing		

70 ½ payments		
Property Division Order (PDOs)		
Member requests		
Plan Sponsor requests		
Other		

101. Can DRS approve any and all assigned personnel and subcontractors? Fully describe any limitations and your suggested approach for addressing your employee not providing satisfactory service.
102. If your company is not located in the Pacific Time zone, how will you provide service to members and participants during core office hours (8am-5pm) and after work? How will you make sure your staff is available to DRS staff during core business hours?
103. How are errors handled through your record keeping system for:
 - Contributions
 - Withdrawals/distributions (both over- and under- payments)
 - Transfers
 - Rollovers
 - Allocation of earnings
 - Tax reporting
 - Describe any error corrections that cannot be handled on the system.
104. Describe your process for accepting plan-to-plan transfers into Plan 3, including how you verify the acceptability of the transfer.
105. Describe your company's procedures for correcting erroneous financial transactions. Any departure from the requirements in the Scope of Services in Exhibit J should be outlined in the Scope of Services Review that precedes this questionnaire.
106. If your company expects to impose a time window for making participants whole, describe your reasoning for this policy, including when it was instated, what problems occurred prior to instating it, and participant and plan reactions since instating it.
107. Confirm that investment election changes and investment transfers can be made daily. Confirm that you do not intend to impose any limitations such as a maximum number of changes, contribution investment transfers or elections, other than those outlined in the Scope of Services in Exhibit J.
108. Are direct deposits and electronic transfers available for:
 - Installment distributions?
 - Lump sum payments?
109. What time is the cut-off time in Pacific Time for member requested transactions?

110. Which methods can be used for processing transfers/exchanges?
- Balance realignment in percentages
 - Percentage from/percentage to
 - Dollar from/dollar to
111. Describe your experience and capability with NSCC trading. For what percentage of your business use this platform? Is NSCC usage a prerequisite for a fund partnership?
112. Who is responsible for following up with DRS if a data file is not received and what tool is used to track expected data files?
113. Please indicate whether your record keeping system provides these payroll feed data edits by indicating “yes” or “no”. Use the Comments column to identify any qualifications on the availability of the services.

<i>Edits</i>	<i>Service Provided</i>	<i>Comments</i>
<i>Missing Data:</i>		
• Social Security Number		
• Alternate Identifier		
• Name		
• Address		
• Location or other agency identifier		
• Birth Date		
• Hire Date		
• Status Code		
<i>Illogical Data:</i>		
• Duplicate records		
• Status term but no term date		
• Status active but pay = 0		
• Status terminated, term date in prior payroll period but comp > \$0 or deferral > \$0		
<i>Invalid Dates:</i>		

<i>Edits</i>	<i>Service Provided</i>	<i>Comments</i>
• Birth date out of range <> specified dates		
• Hire date out of range <> specified dates		
• Term date out of range <> specified dates		
• Hire date > term date		

114. Can your company collect participant transaction fees if necessitated by a fund? How do you propose to handle such fees?
115. What process does your company use to identify members attempting to market time exchanges? What methods has your company used to discourage or eliminate this practice? Can your company limit the number of exchanges a single member can make in a given period of time?
116. Discuss the processing cycle in preparing termination distribution requests. Start with the date a participant terminates and end with the receipt of a distribution.
117. DRS internal procedures are governed by federal, state and agency requirements. Describe your approach and experience with testing benefit and contribution amounts against federal and other statutory limits.
118. DRS would like to offer our customers the option to choose between e-mail and mail delivery of mailings. Can your system do this? How would you go about providing this service? What data would you need from DRS and our members?

Systems & Technology

119. Describe your record keeping software system.
120. Describe the hardware platform for record keeping and administration of defined contribution plans.
121. Is your record keeping system/software fault tolerant with no single point of failure for processing, storage, or connectivity?
122. Indicate whether your record keeping system is owned by your company or subcontracted from another organization. If the system is subcontracted, provide details of the arrangement and the name and qualifications of the organization.

123. Are you planning to go through any system conversions or major changes/enhancements now or in the next three years? If so, please describe and give the schedule.
124. When was your record keeping system first put into place? When the last major system enhancement and what was the nature of the enhancement?
125. Describe the integration among your voice response, online and record keeping systems. How do you assure that requests made via one access method will not be duplicated through another method if requests are batch processed?
126. Describe your systems update process. What is the minimum number of hours per year you will dedicate to the plan in support of system enhancements?
127. Is your record keeping system current and in compliance with all new legislation?
128. Does your company propose to charge for system modifications required by legislative changes? If so, indicate the anticipated fees here and in the Fee Proposal.
129. How many hours was the record keeping system down in the last 12 months? Describe all such incidents and explain the cause of the down time.
130. Do you foresee any specific problems incorporating Plan 3 into your record keeping system? If so, describe them in detail, and your proposed solutions.
131. Does your company propose to charge for system modifications required by DRS? If so, indicate the method for determining fees.
132. How frequently are system backups performed?
133. Describe your system security, data back up and disaster recovery procedures.
134. How frequently are disaster recovery procedures tested? When the last test? What were the results?
135. Describe the most severe disaster your company has experienced, including when it occurred, what happened, how you dealt with it and the effect on plan sponsors and participants.
136. Has your company experienced an incident when participant or plan data has been compromised? Describe the situation, how you responded, and identify any steps your company has taken to avoid such incidents in the future.
137. How do you monitor system capacity and plan for future expansion? Describe the impact of adding the Plan 3 accounts to your system. What steps have you taken in the past to accommodate expansion, and what steps would be needed to accommodate the DRS program?

138. Does your organization have different groups for systems development and product support? Identify the number of employees dedicated to each.
139. What type of resources (internal/external) does your organization use for systems development? Will these resources be dedicated to DRS? If a combination, please specify percentage to each resource.
- Internal
 - External
140. What type of resources (internal/external) does your organization use for systems maintenance? Will these resources be dedicated to DRS? If a combination, please specify percentage to each resource.
- Internal
 - External
141. Describe your approach to testing changes to your automated record keeping systems? Do you maintain a separate test environment?
142. DRS requires access to vendor's record keeping system. Please describe how DRS will access your record keeping system. Describe the technology that will be needed for this access. What training will be provided to make sure DRS staff can properly access the system? What will be the system response time? If your response time lags, how will that be addressed?
143. Does your organization use a document imaging system internally? Is access to this system available to DRS? If so, what requirements would DRS have to meet to receive access? Are there any costs to providing this access?
144. Describe all manual or one off processes for posting participant data to your record keeping system.
145. After reading through our requirements, do you see areas where you could offer an automated solution, to replace a manual process?

Communication/Education

146. Describe your experience with a client where your company administers multiple defined contribution plans. What communication issues and challenges did you encounter and how were they resolved?
147. DRS requires vendors to provide fully customized communication/educational materials, including hard and electronic copies. Required minimums for written communication materials are included in the Scope of Services in Exhibit J. Please complete the table below identifying the different materials included in your proposal, who their audience is (i.e., new participants, retirees, etc.), how they will be delivered (mailed, handed out at meetings,

posted on Web, etc.), how many copies are expected to be distributed each year, an indication of artwork used on the material (Y-graphs and pictures, etc.) and a description of size and color (8.5x11 four-color, 8.5x14 black and white, etc.).

Document/ Material	Audience	Delivery Method	Yearly Distribution	Artwork (Y/N) - Type	Size/Color/ Pages

148. Identify the budgeted annual amount you have assumed for producing the materials above.
149. Will you require additional fees if the budgeted amount is exceeded? Describe your plan for providing any additional materials requested by DRS without causing an increase in fees.
150. Describe your approach to testing changes to your Web site. Do you maintain a separate test environment?
151. DRS must approve all changes to Publications and the Web site. How will you conduct appropriate reviews?
152. For each publication listed above, provide a description of the time and resources your firm proposes to dedicate to the development of the customized communication pieces. This description should include an itemized listing of time spent by various professionals including communications consultants, graphic and design artists, writers, editors, and the expense for design, graphics, layout and printing.
153. Provide sample educational materials that you have customized for other clients.
154. Who would be DRS' primary contact regarding marketing? The state expects this to be a senior level marketing employee/consultant.
155. Describe how you intend to ensure that the DRS is actively involved in the development of the initial and future materials. Describe how you would propose to incorporate DRS' input without delaying the development and production of materials and what turnaround and similar requirements you would impose.

156. DRS will need to work closely with the record keepers on multiple communications efforts. How would you go about making sure that the lines of communication are open and that expectations are documented and being followed?
157. Describe your experience with developing forms in formats suitable for recognition via Optical Character Recognition software.
158. Can you provide targeted communications to specific groups of employees? Please provide several examples of targeted communications you could complete and how you would measure the effectiveness of those communications campaigns.
159. Describe the materials or other support you will provide to assist the program in educating participants about the use of your company’s customer service center and online systems.
160. Please indicate in the *Service Provided* column below whether or not the following services are part of your proposal by indicating “yes” or “no”. Use the Comments column to identify any qualifications on the availability of the services.

<i>Member Statements</i>	<i>Service Provided</i>	<i>Comments or Limitations</i>
Standard format, can add client name and logo		
Completely custom format		
Modular format, can designate modules to include		
<i>Can include the following data:</i>		
• Member name and address		
• Department code or employee number		
• Beneficiary name		
• Current contribution election(s)		
• Current investment election(s)		
• Activity by individual transaction		
• Activity summarized by type		
• Asset allocation:		
○ In percentages format		

<i>Member Statements</i>	<i>Service Provided</i>	<i>Comments or Limitations</i>
○ In graph format		
● Fund rates of return		
● Comparative performance benchmarks/indices		
● Individual participant rates of return		
● Individual fees paid		
● Year-to-date contributions		
● Year-to-date withdrawals		
● Year-to-date investment earnings		
● Inception-to-date contributions		
● Inception-to-date withdrawals		
● Inception-to-date investment earnings		
● Plan Sponsor specific messages		
● Employee specific messages (varying based on demographic criteria)		
● Social Security Projections		
● Defined Benefit Plan Projections*		

*Projections would be provided by DRS for inclusion in statements.

161. Attach a copy of the member statement you intend to prepare for the Program.
162. Provide a sample timeline for development and issuance of quarterly statements, including milestone items such as drafting of statements and newsletters, DRS review, updating, finalization, incorporation of investment performance data, and mailing. Identify the parties assumed to complete each task (DRS, record keeper, etc.).
163. For your five largest clients, provide your firm's statement accuracy percentage (i.e., the percentage of statements that are not mailed on the normal mail date because of an unresolved discrepancy). Confirm that you will agree to incorporate a minimum error percentage in your contract.
164. Describe the process you employ for undeliverable statements.

165. For how long will participant's statements be available for viewing after termination of your contract?
166. How do you prefer to coordinate returned mail (including statements)? What steps would you recommend to ensure customer addresses are kept up-to-date? Explain.
167. What statement content may be selected or de-selected by DRS?
168. Can statements be e-mailed rather than mailed? If yes, can each member make the selection? Additionally, do you provide participants with the choice to receive other vendor communications either by mail or e-mail? Can a participant receive information via text? If not, do you see this as an option in the future?
169. If statements are posted on your Web site, does the participant receive an e-mail notification that they are available?
170. On occasion, DRS may require the record keeper to post specialized payments. Can you post specialized payments and label them individually, so members can see them on their statements?
171. Attach samples of the communication materials you would use to communicate investment performance information to both new participants and existing participants. Describe what comparative information you will be able to provide (i.e. performance benchmarks).
172. What investment performance information is available via the Web and voice response system?
173. Describe the financial modeling software you will make available to members, how it is populated, maintained, audited and updated, as well as the participant benefits that may be derived from using that service. Can it also incorporate social security, defined benefit plan projections, as well as outside investments? Provide a Web site address and any necessary password for DRS to review the software.
174. Specifically list each material that your company makes available in a foreign language.
175. What materials are available for members that are visually impaired?
176. What materials do you provide to terminated members eligible for distributions?
177. Describe your proposed coordination with the existing defined contribution provider in the communication and education components of the program, assuming a transition.
178. Provide samples of communications from past conversions.

179. Describe your capability to provide video presentations. Identify other clients you provide this service for. If you choose to provide a sample video as part of your response to this RFP, please provide a digital copy, or include a link to where it is available on a Web site.
180. Do you work with an outside firm in conjunction with developing the videos? If yes, describe the firm. If no, describe the internal department that will assist in developing the videos.
181. Provide your proposed staffing for the in-person education function and a description of the types of personnel to be involved. Also provide in an appendix an organizational chart and the names and resumes of individuals in your organization who would be primarily responsible for the customer service function. Describe the roles, responsibilities and qualifications of each and provide a typical job description. Identify the number of FTEs that would be dedicated only to these plans.
182. As described in Exhibit Q, the DRS will continue to be involved in conducting some employee education. Please explain how your organization would coordinate one-on-one consultations and group education meetings in conjunction with the DRS.
183. Describe a typical one-on-one consultation you would offer a participant. How would your representatives respond to questions regarding the investment options, what information would be provided, and the approach that the representative would take toward making suggestions or giving advice? Describe how your representatives will ensure that inquiries are appropriately directed to another party if needed.
184. It is expected that the selected record keeper will conduct group sessions that provide interactive instruction to members.
- a. Describe any tools and materials you would make available to participants in your group meetings.
 - b. Describe any access to financial workshops/group meetings that you provide on an online basis.
 - c. Describe your seminars or workshops that are directed toward individuals who are nearing retirement.
 - d. Describe how you would work with employers to provide and tailor group sessions at the employers' requests.
185. Describe the content of the on-going group education that your company would conduct. This description should be complete and include all topics covered as described in Exhibit Q. Provide sample education materials.

Meeting Title	Content

186. Based on Exhibit Q, please identify the total number of group meetings you have assumed would be provided annually. Will you include this number in the contract as part of annual performance standards?

Annual Group Meetings:

187. Please provide a project plan for transitioning some or all of the communication and education services in Exhibit Q currently provided by DRS to your organization.

188. Please review Exhibit Q for a listing of current education services provided by DRS to members. With the context that it is DRS' goal to provide its members with exemplary customer service, please describe how your representatives would approach this objective and encourage participants to become retirement ready. How would you propose your representatives engage participants in group meetings and individual sessions to increase awareness of the need for retirement goals?

189. What criteria are used to evaluate the effectiveness or success of a particular education campaign?

Supplemental Education Services

190. Please describe all supplemental education services you are able to provide to participants, such as debt management, education funding, estate planning, and other topics that generally extend beyond typical retirement planning.

191. How many years has your company been providing these services? How many clients utilize these services?

192. What staff provides these services? Are the services provided by the same staff that provides general retirement education services? Identify the number of staff within your organization that provides supplemental education services. Does the staff have any special training or certifications, such as CFPTM designations?

193. Identify the fees associated with supplemental education services. Describe the level of servicing associated with these fees (quarterly seminars, etc.)

Enhanced Communication Services

- 194. Do you provide, or are you able to provide, to Plan 3 participants, an annual sample asset allocation based on available data from participants? Describe how you would determine, implement, and explain allocation strategies to a participant, including what medium you would use to communicate with the participant?
- 195. How would you utilize telephone, email, Skype, or other electronic communication services to consult with a participant?
- 196. Please provide an example of a statement that encompasses defined benefit, defined contribution and social security projections that can be sent out as a separate annual mailing to participants.

Voice Response System/Participant Website

197. Provide the volume for the following technologies for the last eight annual quarters.

<i>Qtr/Year</i>	<i>Voice Response</i>	<i>Phone Service Rep</i>	<i>Internet</i>
Q1 2014			
Q4 2013			
Q3 2013			
Q2 2013			
Q1 2013			
Q4 2012			
Q3 2012			
Q2 2012			

a) Describe the reason for any unusual increases or decreases in the volumes above.

198. Indicate with a “Y” or “N” which services are available to participants through each technology.

	<i>Customer Service Rep</i>	<i>Voice response</i>	<i>Internet</i>	<i>Describe process if not available through technology</i>
Custom greeting using client name				
<i>Enrollment:</i>				

	<i>Customer Service Rep</i>	<i>Voice response</i>	<i>Internet</i>	<i>Describe process if not available through technology</i>
• Request forms				
• Select elections				
<i>Fund information:</i>				
• Request material				
• Prior day NAV/unit value				
• Performance information				
• Benchmark comparison information				
<i>Investment transfers of existing balances:</i>				
• Rearrange balances				
• By percent				
• By dollar amount				
• Contribution rate modeling				
• Change investment direction for future contributions				
<i>Final distribution:</i>				
• Learn amount available				
• Tax modeling				
• Model payment options available on final distribution				
• Request form				
• Request distribution (paperless)				
<i>Member addresses:</i>				
• Request form				
• Make changes				

	<i>Customer Service Rep</i>	<i>Voice response</i>	<i>Internet</i>	<i>Describe process if not available through technology</i>
<i>Beneficiary:</i>				
• Initial designation				
• Request form				
• Make changes				
<i>PIN/Password:</i>				
• Establish PIN				
• Change PIN				
• Request lost PIN				
<i>Statements on demand:</i>				
• Last quarterly statement				
• Current balance				
• Participant specified period				
• Transactions since last period				

199. Please provide the following statistics for the time periods indicated:

	<i>Calendar Year 2012</i>	<i>Calendar Year 2013</i>
Quality standard for VRS answer time in number of seconds		
Average actual VRS answer time in number of seconds		
Quality standard for VRS downtime (hours per month)		
Average actual VRS downtime (hours per month)		
Number of Phone Service Representatives		
Average length of calls with Phone Service Representatives		
Quality standard for number of seconds on hold while call transfers to Phone Service Representatives		
Average actual number of seconds on hold while call transfers to Phone Service Representatives		
Quality standards for call abandonment rate		
Actual call abandonment rate		

	<i>Calendar Year 2012</i>	<i>Calendar Year 2013</i>
Percentage of calls requiring call back		
Quality standard for amount of time to call back with status on issue		
Average actual amount of time to call back with status on issue		
Number of calls per Phone Service Representative monitored by supervisor on a monthly basis		

200. Describe the reports that the DRS will receive relating to call volumes, response times, abandoned calls, number of transactions, etc.
201. What is your procedure and timing for issuing PIN/Passwords? Describe how PIN/Passwords are assigned. Is the same PIN/Password used for voice response and Internet? What security features are in place to ensure only the correct participant is given personal information?
202. Describe process for changing the PIN/Password.
203. What activity can a member without a PIN/Password complete? Does the Plan Sponsor decide to permit access and what criteria will be used?
204. Do Phone Service Representatives have access to participant PIN/Passwords?
205. Do you provide alternatives to using a PIN/Password for member access to the record keeping system?
206. Describe your experience with providing the confirmation letters outlined in the Scope of Services in Exhibit J. Are there letters that will need to be newly created for DRS? Provide samples if possible.
207. Please indicate and describe whether your organization has adopted “smart” phone technology and mobile technology. For what processes or transactions is the technology available?

Customer Call Center

208. Provide your proposed staffing for the customer service function and a description of the types of personnel to be involved. Also provide in an appendix an organizational chart and the names and resumes of individuals in your organization who would be primarily responsible for the customer service function. Describe the roles, responsibilities and qualifications of each and provide a typical job description. Identify the number of FTEs that would be dedicated only to this plan.

- 209. What percentage of the Phone Service Representatives who leave that job stay within your organization?
- 210. What is the average tenure of Phone Service Representatives in your call center?
- 211. Identify the hours of initial and ongoing training that Phone Service Representatives receive.
- 212. Describe the toll-free telephone system you will provide. What hours are the Phone Service Representatives available (Pacific Time)?
- 213. How will Phone Service Representatives be trained on specifics of the DRS Plan? List the atypical characteristics of the Plan that you feel would be important to cover in the training (TAP vs. Self-Directed investments, plan choice, etc.). Will Representatives be able to speak to elements of the DB plan if provided specific training from the DRS?
- 214. Please describe how members without touch-tone telephone service will be accommodated.
- 215. Identify the number and percentage of Phone Service Representatives that are fluent in Spanish and other languages. Identify other languages in the table below.

	Spanish	[other]	[other]	[other]
# phone reps				
% phone reps	%	%	%	%

- 216. Does your organization use the AT&T Language Line or an equivalent service to assist participants who speak a language other than English or Spanish?
- 217. Are all conversations recorded? If yes, can the Plan Sponsor monitor recordings? How long does your organization maintain recordings? Can the Plan Sponsor monitor calls live?
- 218. In staffing Phone Service Representatives, how many members do you assume a single representative can cover?
- 219. How many hours per day do Phone Service Representatives spend on the phone on average (over last year)?
- 220. What security procedures do you use at your customer service center to authorize transactions that a member makes over the phone?

221. Where is your customer service center located? Will your record keeping and administrative services also be processed at this location? If not, where will these services be located?
222. Identify if any call center staff outside of the United States is used, and how your company monitors the performance of this group.
223. When a Phone Service Representative speaks to a member, can the representative see other transactions performed by the participant earlier the same day via VRS or Internet?
224. What records do Phone Service Representatives have direct access to when handling a telephone inquiry? Do they have access to imaged documents? Do representatives have access to workflow tools used to track participant processing by the administration team?
225. Describe your customer service staffing plan to deal with peak volume, such as after the issuance of member statements or a plan change. Describe the process to determine if you have sufficient lines to handle call volume. How frequently is this checked?
226. Confirm your ability to provide TDD services during all hours of telephone customer service availability.
227. How are investment advice questions handled by customer service representatives? Is there a separate queue with specialized and licensed representatives to address investment specific questions?
228. Do you separate services for retirees from those provided to active plan members? For example, is certain staff assigned to handle retirees' questions regarding their accounts?
229. If a call must be transferred from one Phone Service Representative to another or to a supervisor, can data and the call be transferred simultaneously? If no, how is the transfer accomplished?
230. How are member's calls logged and tracked and who has access to that information? Can DRS request a transcript or recording a member call?
231. Can Phone Service Representatives provide the following services to participants?

Service	Yes/No
Simultaneous (“live”) access to Internet account to demonstrate how to execute a transaction	

Generic direction to participants regarding the execution of Internet transactions	
Simultaneous (“live”) access to VRS to demonstrate how to execute a transaction	
Generic direction to participants regarding the execution of VRS transactions	

Internet

- 232. Confirm you will provide a custom Web site dedicated to DRS. Describe the attributes of the site that may be customized for the Program. Can DRS choose a custom URL?
- 233. What communication materials do you offer on the participant Internet site?
- 234. Confirm you will duplicate the materials available on the current Web site.
- 235. What retirement planning and investment related tools will be available through the Internet site?
- 236. What targeted materials will be available via the member Web site?
- 237. Describe other tools and services available to members through your Internet site.
- 238. Can members e-mail account-specific questions via the Internet site? If yes, who receives the e-mail, researches the issue and responds? Do you have responses generated by key words?
- 239. What is the most current data available to members over the Internet?
- 240. How much historical information will members have access to over the Internet site?
- 241. What language services other than English are available for DRS Web site? If an Internet translation service is offered, describe the services that are provided.
- 242. Describe your company’s experience with providing education session schedules online, including the ability to register for sessions online. How will DRS education representatives be able to access registrant lists? Indicate if you provide this service for other clients.
- 243. Do you have any experience in providing financial modeling software similar to that used by Plan 2 members that have the option to transfer to Plan 3? Can it also incorporate social security, defined benefit plan projections as well as outside investments? Describe any other similar client arrangements.

244. Describe your experience with providing an e-mail inbox for member inquiries. What other plans do you provide this service for? Will responses be provided within one business day?
245. Software on the Internet site is subject to DRS review and approval. Describe the review and approval process you would propose to use, including how material would be presented to DRS. Identify other clients that review and approve software applications.
246. DRS utilizes Web site calculators to help customers with certain types of projections. How would you support these calculators? Please explain any enhancements you would recommend.
247. Provide the address and necessary access codes or passwords in order to test your Internet capabilities. If separate codes are needed for access to participant and plan data, provide both.
248. How do you coordinate Web site updates? Do you have different processes/timelines for different types of updates? If so, please explain process, with timelines, for each of the following:
- Emergency update (text only);
 - Standard/operating updates(posting PDF, text changes, etc);
 - Web re-structuring to accommodate a new marketing plan.
249. Customers call DRS with complex questions that often involve what they are seeing on our record keeper's secure, account access Web site. DRS would like the ability to follow them click-by-click, so DRS staff can see the same fund detail and answer questions. How will you provide this service?
250. DRS currently maintains a Single Sign-On system alongside other state services. Do you have experience with Single Sign-On with any other clients? Describe your experience and confirm you are able to accommodate this system.
251. DRS requires our customers have fast and easy access to their accounts. We are concerned about server speed on both the public side and secured side of our Web sites. How will you monitor Web site usage to ensure our customers are receiving consistent and fast service? What specific targets will you use? What plan will you execute, if you fail to meet your targets?
252. DRS is interested in providing Plan 3 members with a way to see their DB and DC information together – side by side. How would you approach providing a single view of the information maintained by DRS with the DC data maintained in your record keeping system? Describe your experience displaying side-by-side views (DB and DC) for other clients. Do you have experience integrating a 457 plan? Please describe.

Voice Response System

253. Provide the phone number and necessary access codes or passwords in order to test your VRS capabilities.
254. Is the voice system key entry only or does it have natural voice recognition capabilities as well? Indicate all that apply:
- Key entry
 - Voice recognition (number, short phrases)
 - Natural voice recognition (full speech and sentences)
255. Is your VRS available in Spanish or any other languages?
256. If a participant is using the Spanish VRS, which of the following applies:
- Election for Spanish will be retained and Spanish is automatically offered next time participant calls
 - Participant opts out to Spanish Phone Service Representatives automatically
 - Materials requested via the VRS will be provided in Spanish
257. What is the VRS downtime per month for maintenance in hours?
258. Can Plan Sponsor broadcast special messages? If yes, indicate all parties that can actually record the message.
- Plan Sponsor
 - Your organization
259. Will the VRS alert a participant to the anticipated hold time before a Phone Service Representative will be available?
260. How many calls is your telephone system equipped to handle simultaneously? What are the average daily call volumes over the last six months?

Management Reporting

261. Confirm that you will provide the reports described in the Scope of Services in Exhibit J. Identify any reports that will need to be specifically developed or changed/modified for DRS, as opposed to being existing reports.
262. Confirm that you will provide the management reports listed in Exhibit G and the financial reports as listed in Exhibit L.

263. Confirm that you will provide an up-to-date customized administration manual. Provide a sample table of contents from a customized administration manual.
264. How frequently does your organization provide a client service report on plan activity to the clients typically? Provide a sample copy of the report.
265. Indicate which features your client service report contains.

Plan level breakdown of:	
• Asset allocation	
• Cash flow	
• Withdrawal/distribution activity	
• Fund performance	
• Member access statistics	
Demographic breakdown of:	
• Asset allocation	
• Cash flow	
• Withdrawal / distribution activity	
• Fund performance	
• Member access statistics	
• Member rates	
• Comparative data	
• Client-specific data	
• Other features?	

266. List all key reports that are furnished to a plan sponsor as part of your normal fee. Indicate the contents of the report, frequency it is provided, and media.

For Frequency Column use the following codes:

A = Annual Q = Quarterly W = Weekly
D = Daily S = Semi-Annual
M = Monthly U = Upon Request

For Media Column use the following codes:

C = CD ROM I = Internet
H = Hard Copy

274. Describe your company's experience with the following domestic relations orders, as described in the Scope of Services in Exhibit J:

- Property Division Orders including:
 - *Awards an Interest*
 - *Splits an Account*
- Orders to Withhold and Deliver

Describe the services you will provide to support DRS in administering these.

275. Describe how you will handle after-tax dollars for contributions and service purchases, etc.

276. Does your organization have separate dedicated legal staff for defined contribution activities? Identify the number of FTE that are dedicated to defined contribution plans. If none are dedicated to defined contribution plans, identify the other services they provide.

277. Describe the type of legal and compliance support provided in your proposal and any fees that would apply to those services. List fees, if any, both here and in the Fee Proposal.

278. Identify the types of legal support not included in your proposal.

279. What notification will you provide DRS when there are changes that could impact our 401(a) plan or defined contribution plans, in general?

280. How will you ensure the program remains in compliance with regulatory and legislative changes?

281. How do you ensure that the record keeping system is in compliance with all regulations?

282. Will your organization provide DRS specific updates on federal legislative changes? If yes, how frequently? Provide samples of any regulatory updates provided to clients.

283. How will you comply with the annual audit requirements as described in the Scope of Services in Exhibit J? Please also confirm you are able to accommodate any requests associated with an IT audit.

Investments

284. Confirm that you can administer the investment options currently offered. Identify any concerns or issues. Describe any situations in which you interface with plan sponsors' investment groups similar to the WSIB.

285. Confirm that you will administer any investment options selected in the future. Identify any limitations or fees you may impose.

286. As WSIB selects or de-selects investments, the record keeper will perform fund additions and fund mapping. While DRS does not anticipate frequent changes to the investment line-up, confirm that your company will perform fund changes as needed without limitation.
287. Provide recommendations for participant communications and a strategy to reduce participant concerns and/or complaints during fund changes.
288. Identify the notice period that your firm would need to add a new fund.
289. Identify the notice period that your firm would need to substitute a fund (map assets from one fund to another).
290. Describe your company's experience in coordinating on a daily basis with a variety of investment companies. List the investment companies that you currently deal with on a daily basis. Indicate whether there are any investment companies with which your company cannot work.
291. Would your fees be impacted if the number of investment options available increased? Identify any appropriate fees here and in the Fee Proposal form.
292. Describe any complexities that are included in maintaining daily valued investments and monthly valued investments. Identify other clients for whom you provide record keeping services for both. What challenges were brought about, and how were they resolved?
293. Describe your experience with investment options similar to the WSIB-TAP.
294. DRS may decide to change our Administrative Fee processes. How does your organization prefer to handle administrative fees?
 - If we choose to deduct fees monthly, by adjusting the daily capital stock activity, (as we do with Plan 3,) would that be a problem?
 - If we choose to deduct fees quarterly, posting fees to participant accounts on quarterly statements, (as we do with DCP,) would that be a problem?

Investment Advice

295. Please describe your participant investment advice and managed account services you are able to make available, including the number of years you have been providing the services and the number of clients that utilize them.
296. Does your firm utilize an independent advice provider to provide the services? If yes, identify the provider and how long you have worked with the firm. What does your due diligence entail and what periodic reviews take place.

297. What fiduciary responsibility does your firm accept for the advice services provided?
298. Identify the fees associated with the investment advice services.

7.2 DCP

SCOPE OF SERVICES REVIEW – DCP

Each company submitting a proposal is responsible for thoroughly reviewing the Scope of Services in **Exhibit K**. Based on the review of the Scope of Services, complete the following table. The Department of Retirement Systems (DRS) does not anticipate substantial exceptions to the Scope of Services, if any, but any exceptions must be noted in this table. Responses provided will be considered as part of the evaluation of the questionnaire. In addition, DRS reserves the right to negotiate more favorable standards than those indicated in the Scope of Services.

You may complete the table provided below, or you may provide the table as an appendix item to your proposal. In completing the table, provide the following information in the appropriate column:

I – Confirm that you have reviewed the appropriate section of the Scope of Services - Exhibit K. (Yes/No)

II – Identify if your firm can provide each service contained in the appropriate section of the Scope of Services - Exhibit K, including meeting all time frames, performance standards, deadlines, and providing all deliverables and services exactly as described. (Yes/No)

III – Indicate whether you currently provide the services exactly as described for one or more clients. (Yes/No)

If you indicated “yes” in columns I - III, you may indicate “N/A” for columns IV and V.

IV – For each service in column III that you have indicated “no”, describe your standard approach and how it differs from the Scope of Services - Exhibit K.

V – For each service in column III that you have indicated “no”, identify if you are willing to adjust your standard approach to provide the service exactly as requested. If there are any limitations or maximums that you expect to place on the services provided, these must be included/footnoted in the Scope of Services - Exhibit K Review. (Yes/No)

VI – If you are willing to provide the services exactly as requested, but believe that there would be benefits (such as cost savings or improved service) to making a minor adjustment to the services outlined in the Scope of Services - Exhibit K, describe the adjustment and the benefits.

Scope Section	I	II	III	IV	V	VI
4.2.1 Implementation Services						
Entire Section						
4.2.2 Communications						
Overall						
Development of a Customized Education Plan						
General Requirements						
Written Communication Materials						
Web site						
Financial Modeling Software						
Video						
4.2.3 Enrollment						
Entire Section						
4.2.4 Contribution Processing						
Entire Section						
4.2.5 Plan Administration Support and Participant Service Activities						
Participant Service						
Investment Transfers and Allocation Changes						
Suspense Items and Error Correction						
4.2.6 Record Keeping						
Overall						
Inquiry Only Online System Access						
Investment Options						
Fund Fee Rebate						
Deduction of Plan Fees						
Changes to Fund Managers						
Trustee/Custodial Services						
Participant Statements of Account						
4.2.7 Distributions						
Overall						
Payment Methods						
Annuity Shopping Service						

Scope Section	I	II	III	IV	V	VI
Hardship Withdrawals						
Domestic Relations Orders						
Survivor Benefits						
Tax Withholding and Reporting						
Transfer and Rollover						
Stale Dated Checks						
4.2.8 Plan Level Reporting						
Overall						
Plan Level Reports						
Plan Sponsor Support Services						
4.2.9 Computer Security						
Entire Section						
4.2.10 Program Audits						
Entire Section						
4.2.11 Supplemental Processing and Compliance Activities						
ADA Compliance						
Alternate Communication Format						
Participant Privacy						
Address Changes						

For each scope section identified above, provide a description of how the services you provide will meet or exceed the services requested. Please be succinct with your answers.

QUESTIONNAIRE – SCENARIO TWO: PROVIDE TPA SERVICES FOR THE DCP

Company Information

299. Provide your company's name, address and type of legal entity (corporation, limited liability company, joint venture, partnership, etc.)
300. Provide the name, title, address, telephone, e-mail address and fax numbers of the contact person or persons from your company whom we may contact with questions regarding your response. These individuals must be authorized to negotiate contracts regarding the scope, terms and pricing outlined in the proposal.
301. Provide a short description of your organization, the businesses in which it engages and the services it provides.
302. Supply an independently audited financial statement for the most recently closed fiscal year.
303. Please provide the current credit ratings from the four major ratings agencies – A.M. Best, Fitch, Moody's and S&P for your organization and its subsidiaries.
304. Are you currently participating in any alliances or joint marketing efforts? If so, please describe in detail.
305. Is your company a subsidiary or affiliate of another company? Provide full disclosure of all direct or indirect ownership.
306. If your company is affiliated with any investment providers, how do you address potential conflicts of interest?
307. Describe any pending agreements to merge or sell your company or any portion thereof or to acquire another company. If you can provide this information and it is confidential, please clearly so indicate.
308. Describe any pending or anticipated plans to reorganize your company within itself or as part of the larger organization of which your company is a part.
309. What is the last date when your firm or any component of the overall organization had a change in business structure; whether through an acquisition or divestiture or through an alliance arrangement? If applicable, how did this change in business affect the record keeping division and how the firm provides record keeping services?
310. Describe your errors and omissions coverage. Describe the various types of insurance coverage and indemnification provided to protect clients, including for each insurance type: risks covered, carriers, levels, limits, and deductibles.

Risk Covered				
Carriers				
Levels				
Limits				
Deductibles				

311. Describe your cyber liability coverage.
312. List any subcontractors proposed to be used to provide any of your services, and fully describe the nature of the services to be provided and the subcontractor's experience and expertise.
313. List other governmental retirement plans in the state of Washington that you currently provide services for. Would you expect to begin marketing within the life of this contract?
314. Describe to what extent your firm will serve as a fiduciary to the plans for any of the proposed services. Please provide details to fiduciary liability insurance, if applicable.
315. Describe the safeguards and procedures your company intends to provide to avoid complications and potential conflict in situations in which your company provides services to a local entity also participating in the DCP. Would you be willing to remove any non-competitive clauses from your Washington State local government contracts?
316. Indicate which, if any, types of employees receive increased compensation (such as commissions, bonuses or incentive compensation) if the dollar amount deferred to the program increases.
317. If any of your employees are eligible to receive increased compensation based on performance, describe these compensation arrangements and the maximum percentage of each type of employee's total pay expected to be provided.
318. Has your company undergone any change in senior management in the last five years? Describe the change in detail.
319. Has your company ever filed or been petitioned into bankruptcy or insolvency or has your company ever made any assignment for the benefit of your creditors? If so, provide complete details.
320. Identify the number of geographic locations that provide each service and list the locations.

	Number	Locations
Redundant Operations		
Redundant call centers		

321. Please include a written copy of your organization’s strategic plan. If you cannot provide the strategic plan, please provide a synopsis or summary of your organization’s strategic plan, including the following:
- Level of commitment management has to building market presence,
 - Plan for enhancing current products,
 - Plan for developing new products
 - Plan for controlling growth of the defined contribution business, and
 - Plan for controlling the growth of administration beyond the defined contribution business.
322. Identify any leading edge products or services available from your company that would not be available from other firms. Identify future plans for developing additional products or services over the next three years.
323. Provide your sums for spending on the record keeping business in relation to your organization’s total spending company wide. If you cannot provide actual figures please provide the ratio of record keeping spending to total company spending within the given time frames. You do not need to provide ratio figures if you can provide total expenditures for the years listed:

	Record keeping expenditures	Total company expenditures	<u>Or:</u> Ratio of record keeping to total spending
Total for 2014*			
Total for 2013:	\$	\$	
Total for 2012:	\$	\$	
Total for 2011:	\$	\$	

*estimated

Defined Contribution Plan Experience

324. The administrative services requested for the DCP, as described in the Scope of Services and in the Scope of Services in Exhibit K, are extremely customized. Identify the current defined contribution client your company feels is most similar to DRS, in terms of customized services (preferably a governmental client). Describe the custom services you provide to this client, the size of the client, what unusual issues have occurred, and how the issues were resolved.
325. Give the number of years experience your company has in providing administrative services for governmental 457 plans.
326. List the three largest governmental 457 plans you administer. Identify the plan name, plan type, assets and participants for each.
327. Identify the number of defined contribution plans you currently administer with the following number of participants:

Number of Participants in Plan	<i>Number of DC Plans</i>	<i>Number of Governmental DC Plans</i>	<i>Number of Governmental 457 Plans</i>
Up to 1,000			
1,001 to 5,000			
5,001 to 10,000			
10,001 to 25,000			
25,001 to 50,000			
More than 50,001			
Total			

328. Identify the number of defined contribution plans you currently administer with the following assets:

Number of Participants in Plan	<i>Number of DC Plans</i>	<i>Number of Governmental DC Plans</i>	<i>Number of Governmental 457 Plans</i>
\$251 to \$500 million			
\$501 million to \$1 billion			
\$1 to \$3 billion			
\$3 to \$5 billion			
More than \$5 billion			
Total			

329. Provide the total number of participant accounts you administer on your record keeping system. How many are 457 participants?

330. How many DC plan clients and participants have you gained and lost in the last three years for clients above and below \$500 million in assets?

Below \$500 million

	Clients Added		Clients Lost	
Year	Number of Plans	Number of Participants	Number of Plans	Number of Participants
2013				
2012				
2011				

Above \$500 million

	Clients Added		Clients Lost	
Year	Number of Plans	Number of Participants	Number of Plans	Number of Participants
2013				
2012				
2011				

331. List the three defined contribution plans over \$500 million which most recently retained your company's services. Include the plan type, approximate number of participants, total plan assets and the month and year your company was retained. Indicate which plans involve record keeping for unbundled investments separately selected by the Plan.

Plan Name			
Plan Type			
# Participants			
Total Assets			
Month/Yr retained			
Service Provided			

332. List the three governmental defined contribution plans over \$500 million that most recently terminated (or did not renew) your services. Provide a contact name, address, and phone number so that DRS may contact these plans. Include the approximate number of participants, total plan assets, and a brief description of services provided.

Plan Name			
Plan Type			
# Participants			
Total Assets			
Service Provided			
Reason for Termination			

Contact			
Phone #			

333. Provide as references three governmental defined contribution plans administered by your company for at least three years you consider most similar to that of DRS. Provide a contact name, address, and phone number so that DRS may contact these references. Include the approximate number of participants, total plan assets, and a brief description of services provided and why they are similar to those requested by DRS.

Plan Name			
Plan Type			
# Participants			
Total Assets			
Service Provided			
How similar to DRS			
Contact			
Phone #			

Contractual Issues

334. Indicate whether your company is a licensed broker/dealer and licensed to accept payment from investment companies for providing individual account record keeping, marketing and enrollment services.
335. Identify and describe any past, pending or threatened judicial or administrative litigation against you or in which you are litigating against someone else, within the past five years, related to services you are proposing.
336. Has your company been cited or threatened with citation within the last five years by federal or any state regulators for violations of any federal or state laws or regulations? If yes, please describe fully.
337. Has your company been involved in investigations within the last five years by federal or any state regulators? If yes, describe fully.
338. Has your company had a contract terminated by a client for cause within the last five years? If so, by whom and under what circumstances?
339. Is your company licensed to conduct business in the state of Washington?
340. Identify any potential conflict of interest, or appearance of a conflict of interest that your company would have in providing the services requested. Describe how you will handle this and why it should not be detrimentally viewed.

Conversion and Transition

341. List the roles and responsibilities of your conversion team. Identify the expected members by name if they have been identified. Identify what team members will be 100% dedicated to the conversion, and identify dates and number of team members that would be in Olympia.
342. Please provide the name and title of the individual who will be named as the Implementation and Transition Manager. Please include a biography and the number of conversions he/she is currently working to implement.
343. Provide a draft conversion plan, including target dates for appropriate milestones.
344. Please review the administrative services currently performed by the vendor and DRS as outlined in Exhibit P. Please describe as part of your transition plan how you will assist with the outsourcing of these services.
345. Comment on unique problems associated with plans with extensive customization, and approaches that limit risks during the conversion.
346. Describe how you would propose to communicate the implementation to participants.
347. If you are the incumbent provider, summarize any service and or price changes that are included in your proposal. How would you propose to communicate these to participants?
348. Do you currently have adequate staffing internally to staff for the DCP implementation? If you expect to use existing staff, demonstrate how you will be able to handle the implementation of a plan this large. To the extent you do not, how will staff be added?
349. If any of the team members will not be working exclusively on this implementation, how many additional plans/programs will they be working on?
350. Describe any experience your company has had in conversions from the incumbent administrator. Provide brief reference and contact information for the three largest.
351. How do you monitor the effectiveness and quality of your conversion process and team?
352. Describe the most recent improvement your company has made to the transition process and the reason for the update. Have the results been as expected?
353. Describe the testing of data received from the previous record keeper. How do you confirm the data is consistent with previous test data?
354. Do you have the ability to receive and upload member transaction history from the former record keeper onto your system to ensure members continue to have access to these records?

Please provide examples of how you have handled the transition of this data during previous conversions and solutions to any challenges you have encountered.

- 355. What documentation will be provided to DRS regarding tests conducted and their results? What level of failure will be deemed acceptable?
- 356. How many conversions and implementations has your company conducted during the past four years involving the following number of participants (not accounts)?

Number of Participants	Number of Defined Contribution Conversions
1 to 10,000	
10,001 to 25,000	
25,001 to 50,000	
Over 50,001	

- 357. Describe the on-site training you will provide to DRS employees (including staff who work with customers, technology, accounting, etc.). What are the qualifications and experience of individuals who will conduct the training? What skill-based training have they received that will enable them to provide clear information to attendees. Provide a sample training manual and materials.
- 358. Describe on-site training to DRS employees that will be provided on an on-going basis. Will you provide training as needed, and on the dates and times determined by DRS? Identify any limitations your pricing assumes.
- 359. Describe your ability to coordinate a post-transition audit. Have you provided this for other clients? If yes, what were the results?
- 360. Will there be a blackout period? If so for how long? Assume complete data is received from the prior record keeper in good order. Fully describe all the components and restrictions of the blackout period. Indicate a minimum and maximum number of days.
- 361. For conversions completed in the last 2 years, identify the average number of business days it has taken to complete the conversion after receipt of reconciled items. Identify the shortest time period and longest time period.
- 362. How will you guarantee your stated implementation time frame? How will you measure the success of the plan implementation?
- 363. Please provide the following statistics regarding the DCP conversion and standard conversions implemented by your company:

	<i>DCP Conversion</i>	<i>Standard Conversion</i>
Minimum and maximum lead time from selection date until asset conversion date		
Minimum and maximum business days from receipt of reconciled data from prior record keeper until system “live date”		
Minimum number of business days from system “live date” (reconciliation data is loaded) until:		
▪ Participant Internet inquiry access		
▪ Plan Sponsor online/Internet access		
Transactions permitted during conversion blackout period		
▪ Hardship withdrawals		
▪ Final distributions		

364. How do you propose to handle benefit payments?
365. How many conversions has your company conducted in the past three years? List all conversions scheduled for the next 12 months and the scheduled completion dates.
366. What is the latest notification date your company requires in order to meet the identified implementation date of July 1, 2015?

Quality Assurance

367. Does your organization have an electronic monitoring system for client/plan sponsor inquiries?

If yes:

- Can the system track the type of inquiry?
- Can the system track the required time to respond?
- Does the monitoring system track how often the same inquiries come through via feedback loop?

If no:

- Does your organization have a non-electronic monitoring system?

368. Briefly describe your management’s review of responses to client/plan sponsor inquiries. In your description, please address the following issues:

- What percentage of client/plan sponsor inquiries does senior management or supervisory staff review?
 - How frequently are managerial reviews conducted?
 - What levels of management conduct reviews of client/plan sponsor inquiries and the responses that the client relationship manager and/or administration staff provides?
 - What type of feedback is given to the client relationship manager and/or staff as a result of these reviews, if any?
369. Please describe your proposed method for formally assessing participant and employer satisfaction with the services your company provides.
370. Describe your method for assessing participant satisfaction with the Internet services your company provides. Identify the results you have experienced. Do you have participant feedback that your Web site is user-friendly? What suggestions have been made for improvement?
371. How frequently do you conduct client satisfaction surveys of your clients (plan sponsor level)?
372. Will you provide an annual satisfaction survey of the DCP participants? Describe the participant sampling and content you would suggest. Who will conduct these surveys?
373. Describe how you communicate the results of client and participant surveys.
374. As indicated in Exhibit K, the record keeper will put at risk a stated dollar amount for each day that the record keeper misses the agreed-upon implementation dates after receiving data in “good-order”.

Activity	Quality Performance Standard (business days)	Fees Placed at Risk (DCP)
Transition/ Implementation	____ days from receipt of all required data in good order	Day 1-5: \$5,000/day Day 6-10: \$7,500/day Day 11 and ongoing: \$10,000/day

Additionally, each proposer will put at risk 10% of its annual fees based on the allocations indicated below. The satisfaction of each benchmark should be reported by the proposer on a quarterly basis for assessment by DRS.

Activity	Quality Performance Standard (business days)	Percentage of Fees Placed at Risk (DCP)
Contribution reconciliation and posting	____ days from receipt of payroll data	5.00%
Hardship withdrawals	____ days from receipt of request	5.00%
Termination/Rollovers/Direct Transfers for Distribution	____ days from receipt of request	5.00%
Participant directed fund transfers	____ days from receipt of request	5.00%
Confirmations mailed	____ days from execution of transaction or request	5.00%
Participant statements mailed	____ days from period end	5.00%
Confirmation statements	____ days from period end	5.00%
Plan Level Reporting	____ days from month end	5.00%
Investment Election Requests	____ days from receipt of request	5.00%
Contribution Percentage Elections/Changes	____ days from receipt of request	5.00%
Property Divisions Order (Plan 3)/Domestic Relations Order (DCP) Processing	____ days from receipt of request	5.00%
System Availability: Voice Response Unit, Customer Call Center, Plan Sponsor and Participant Website	____ hours where system is unavailable	5.00%
Customer Call Center Average Wait Time	____ of calls answered within ____ seconds	5.00%
Customer Call Center Questions and Complaints	____ days from receipt of question/complaint	10.00%
Field Representative Availability	____ of one-on-one meetings occur within ____ days of request	5.00%
Group Education Meetings	____ of group meetings occur within ____ days of request	10.00%
Generation of Custom participant education materials, tools, and calculators	Available after ____ days of request	5.00%

Posting of Participant Data Maintenance File	_____ days from receipt of file	5.00%
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375. Describe the internal auditing staff and functions performed regarding record keeping services.
376. Does the internal auditing staff perform client specific audits?
377. Describe how your company will support the program audits as outlined in and Scope of Services in Exhibit K. Identify the three largest clients you perform similar services for, and describe the services provided for each client.
378. Are your record keeping system controls and administrative procedures audited by an independent accounting company on a regular basis? Confirm the frequency you have a Statement on Standards for Attestation Engagements (SSAE) No. 16 audit conducted, and include a copy of your most recent report.
379. Are your accounting reports customized? Describe a modification you have made for a plan sponsor.
380. What quality control systems do you have in place that ensure your activities meet your internal quality standards? Describe fully.
381. Describe the quality improvement system you have in place to ensure that your activities are continually improved to reflect industry best practices.
382. How will you assure quality service from your subcontracted companies, if any are used?
383. How will you assure that any subcontractor will maintain the privacy of data used in conducting the subcontracted services?
384. DRS places a value on maintaining consistent relationships with the personnel who work and the processes that support the record keeping engagement. How will you keep us up-to-date on personnel changes that impact this engagement?
385. When your automated systems or processes change, how will you keep DRS and DCP participants up-to-date on system changes?
386. At what point do you elevate problems to DRS? What types of issues do you resolve internally? Describe your error notification and resolution process.

Record Keeping and Transaction Processing

387. Describe your procedures for ensuring that the DCP is in balance and reconciled on a daily basis.

388. Please confirm that your organization can work with the work with the Plans' current custodian, State Street, as well as any future custodians chosen by the state and meet all of the banking qualifications of the State Treasurer's Office.

389. Describe your procedures for communicating purchase and sale directions (e.g. transfers, withdrawals, rollovers) to the custodian. Describe any separate processes that would apply for the stable value option or future asset allocation portfolios.

390. Please list the team members assigned to service DCP. Please include each team member's bio and years of experience servicing large public governmental defined contribution plans.

- Relationship Manager
- Day-to-Day Account Executive
- Implementation Manager
- Communications Consultant
- Compliance Manager

391. What was the total staff turnover for 2013? 2014?

	2013	2014
Number of FTE:		
Percent:		

392. What is the average tenure (in years) of the following positions with your organization?

Relationship Manager	
Day-to-Day Account Executive	
Processing/Operations Staff	
Senior Management	

393. Identify the hours of training provided to the following positions initially and on-going.

	Initial Annual (# hours)	On-going Annually (# hours)
Phone Service Representatives		
Relationship Manager		
Day-to-Day Account Executive		
Processing/Operations Staff		

394. Do you have a continuing education program in place for your personnel to stay current with changes in the law and investments? If so, describe in detail.

395. Do you currently have adequate staffing to staff for the services that will be provided to DRS? If not, how much staff will be added?
396. Provide your proposed staffing for the record keeping function and a description of the types of personnel to be involved. Also provide in an appendix an organizational chart and the names and resumes of individuals in your organization who would be primarily responsible for the record keeping function. Describe the roles, responsibilities and qualifications of each and provide a typical job description. Identify the number of FTEs that would be dedicated only to this plan.
397. What minimum licensing, degrees, or training is required to hold the following positions? Indicate “Y” or “N” for each requirement needed.

	College Degree	Advanced Degree	Series 6	Series 63	Series 7	Years of Related Work Experience
Phone Service representatives						
Client Relationship Manager						
Plan Administrator						
Processing/Operations Staff						

398. Identify the client-specific contact(s) for plan administration services. Who will have overall responsibility for coordination of record keeping services?
399. What is the caseload for the relationship manager responsible for this program, as measured by number of programs? Is this the same person responsible for record keeping services?
400. For the following functions performed for DCP, identify which would be handled by a dedicated team and which would be handled by a functional group? Complete the table below indicating “yes” or “no” for the record keeping tasks.

	Dedicated Client Team	Functional Group
Eligibility determination		
Enrollment		
Contribution processing		
Hardship processing		
Distribution processing		
70 ½ payments		
Domestic Relations Order(DRO)		
De minimis distributions		
Participant requests		
Plan Sponsor requests		

Other		
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401. Can DRS approve any and all assigned personnel and subcontractors? Fully describe any limitations and your suggested approach for addressing your employee not providing satisfactory service.
402. If your company is not located in the Pacific Time zone, how will you provide service to members and participants during core office hours (8am-5pm) and after work? How will you make sure your staff is available to DRS staff during core business hours?
403. Describe your experience with receiving data files through secure File Transfer Protocol (FTP) transmission with information necessary to set up participant accounts. Identify the number of clients you perform this service for and identify the largest.
404. Describe your capability to receive imaged documents such as fund transfer request forms from the DRS.
405. How are errors handled through your record keeping system for:
 - Contributions
 - Withdrawals/distributions (both over- and under- payments)
 - Transfers
 - Rollovers
 - Allocation of earnings
 - Tax reporting
 - Describe any error corrections that cannot be handled on the system.
406. Describe your process for accepting plan-to-plan transfers into DCP, including how you verify the acceptability of the transfer.
407. Describe your company's procedures for correcting erroneous financial transactions. Any departure from the requirements in the Scope of Services in Exhibit K should be outlined in the Scope of Services Review that precedes this questionnaire.
408. If your company expects to impose a time window for making participants whole, describe your reasoning for this policy, including when it was instated, what problems occurred prior to instating it, and participant and plan reactions since instating it.
409. Confirm that investment election changes and investment transfers can be made daily. Confirm that you do not intend to impose any limitations such as a maximum number of changes, contribution investment transfers or elections, other than those outlined in the Scope of Services in Exhibit J.
410. Describe your capabilities to offer automatic rebalancing services to participants. Describe the frequency of rebalancing, mailing of confirmations, and any limitations that may apply.

411. What are your procedures for handling incoming rollovers from other qualified plans and/or IRAs?
412. Are direct deposits available for:
- Installment distributions?
 - Lump sum payments?
413. What time is the cut-off time in Pacific Time for member requested transactions?
414. Which methods can be used for processing transfers/exchanges?
- Balance realignment in percentages
 - Percentage from/percentage to
 - Dollar from/dollar
415. Which methods can be used for accepting and transmitting employee deferrals?
- Percentages
 - Dollar
 - Both percentages and dollar amounts simultaneously
416. Please describe your capabilities in administering Roth 457(b) contributions. Please provide examples of the communication outreach associated with adding a Roth 457(b) to a plan you currently support.
417. The record keeper is required to provide an annuity shopping service. Indicate whether providing this service will have any impact on your cost proposal.
418. For the annuities that you have provided, give the actual and guaranteed purchase rates per \$1,000 for the following payment options on December 31, 2011, 2012, and 2013. Provide purchase rates for a participant age 50, 55, 60, 62, and 65. For joint and survivor payment options assume that the spouse is the same age. Unisex rates are required.
- Life only
 - Life and 10 years certain
 - 50 percent joint and survivor
419. For the annuity purchase rates listed above, list the commissions, if any, your firm receives. Note that your firm must fully disclose all commissions paid for annuities purchased under the plan
420. Describe your experience and capability with NSCC trading. For what percentage of your business do you use this platform? Is NSCC usage a prerequisite for a fund partnership?

421. Who is responsible for following up with DRS if a data file is not received and what tool is used to track expected data files?
422. Please indicate whether your record keeping system provides these data edits by indicating “yes” or “no”. Use the Comments column to identify any qualifications on the availability of the services.

Edits	Service Provided	Comments
Missing Data:		
• Social Security Number		
• Alternate Identifier		
• Name		
• Address		
• Location or other agency identifier		
• Birth Date		
• Hire Date		
• Status Code		
Illogical Data:		
• Duplicate records		
• Status term but no term date		
• Status active but pay = 0		
• Status active, deferral % > 0 but deferral = \$0		
• Status active, deferral % = 0 but deferral > \$0		
• Status suspended but deferral > \$0		
• Status terminated, term date in prior payroll period but comp > \$0 or deferral > \$0		
Invalid Dates:		
• Birth date out of range <> specified dates		
• Hire date out of range <> specified dates		
• Catch-up date out of range <> specified dates		

Edits	Service Provided	Comments
<ul style="list-style-type: none"> • Term date out of range <> specified dates 		
<ul style="list-style-type: none"> • Hire date > term date 		

423. Can your company collect participant transaction fees if necessitated by a fund? How do you propose to handle such fees?
424. What process does your company use to identify participants attempting to market time exchanges? What methods has your company used to discourage or eliminate this practice? Can your company limit the number of exchanges a single participant can make in a given period of time?
425. Discuss the processing cycle in preparing termination distribution requests. Start with the date a participant terminates and end with the receipt of a distribution.
426. DRS internal procedures are governed by federal, state and agency requirements. Describe your approach and experience with testing benefit and contribution amounts against these and other statutory limits.
427. DRS would like to offer our customers the option to choose between e-mail and mail delivery of mailings. Can your system do this? How would you go about providing this service? What data would you need from DRS and our participants?
428. Do you have clients who enroll participants online? Tell us about your experience. Identify other plans you provide this service for.
429. DRS is interested in introducing online enrollment. Can your system do this? How would you go about providing this service? What data would you need from DRS and our participants?

Systems & Technology

430. Describe your record keeping software system.
431. Describe the hardware platform for record keeping and administration of defined contribution plans.
432. Is your record keeping system/software fault tolerant with no single point of failure for processing, storage, or connectivity?
433. Indicate whether your record keeping system is owned by your company or subcontracted from another organization. If the system is subcontracted, provide details of the arrangement and the name and qualifications of the organization.

434. Are you planning to go through any system conversions or major changes/enhancements now or in the next three years? If so, please describe and give the schedule.
435. When was your record keeping system first put into place? When was the last major system enhancement and what was the nature of the enhancement?
436. Describe the integration among your voice response, online and record keeping systems. How do you assure that requests made via one access method will not be duplicated through another method if requests are batch processed?
437. Describe your systems update process. What is the minimum number of hours per year you will dedicate to the plan in support of system enhancements?
438. Is your record keeping system current and in compliance with all new legislation?
439. Does your company propose to charge for system modifications required by legislative changes? If so, indicate the anticipated fees here and in the Fee Proposal.
440. How many hours was the record keeping system down in the last 12 months? Describe all such incidents and explain the cause of the down time.
441. Do you foresee any specific problems incorporating DCP into your record keeping system? If so, describe them in detail, and your proposed solutions.
442. Does your company propose to charge for system modifications required by DRS? If so, indicate the method for determining fees.
443. How frequently are system backups performed?
444. Describe your system security, data back-up and disaster recovery procedures.
445. How frequently are disaster recovery procedures tested? When was the last test and what were the results?
446. Describe the most severe disaster your company has experienced, including when it occurred, what happened, how you dealt with it and the effect on plan sponsors and participants.
447. Has your company experienced an incident when participant or plan data has been compromised? Describe the situation, how you responded and identify any steps your company has taken to avoid such incidents in the future.
448. How do you monitor system capacity and plan for future expansion? Describe the impact of adding the DCP accounts to your system. What steps have you taken in the past to accommodate expansion, and what steps would be needed to accommodate the DCP?

449. Does your organization have different groups for systems development and product support? Identify the number of employees dedicated to each.
450. What type of resources (internal/external) does your organization use for systems development? Will these resources be dedicated to DRS? If a combination, please specify percentage to each resource.
- Internal
 - External
451. What type of resources (internal/external) does your organization use for systems maintenance? Will these resources be dedicated to DRS? If a combination, please specify percentage to each resource.
- Internal
 - External
452. Describe your approach to testing changes to your automated record keeping systems? Do you maintain a separate test environment?
453. DRS requires access to vendor's record keeping system. Please describe how DRS will access your record keeping system. Describe the technology that will be needed for this access. What training will be provided to make sure DRS staff can properly access the system? What will be the system response time? If your response time lags, how will that be addressed?
454. Does your organization use a document imaging system internally? Is access to this system available to DRS? If so, what requirements would DRS have to meet to receive access? Are there any costs to providing this access?
455. Describe all manual or one off processes for posting participant data to your record keeping system.
456. After reading through our requirements, do you see areas where you could offer an automated solution, to replace a manual process?
457. Do you have public sector governmental clients who utilize the auto enrollment and auto escalation feature for participants? Tell us about your experience. Identify plans you provide this service for.
458. What data is required from the plan sponsor in order to accommodate an auto enrollment or auto escalation platform?

Communications/Education

- 459. Describe the DCP communication plan you will develop with DRS and how you will measure the effectiveness of the plan. Identify other items that will be measured.
- 460. DRS will look to update the DCP website and education deliverables with new and fresh marketing/education materials. What role can you play in the process?
- 461. Describe how your communications differ when multiple plans [457 and 401(a)] are available to participants? For new participants, how would you compare and contrast the plans? Identify important differences that you feel participants should be aware of.
- 462. Describe your experience with a client where your company administers multiple defined contribution plans. What communication issues and challenges did you encounter and how were they resolved?
- 463. DRS requires vendors to provide fully customized communication/educational materials, including hard and electronic copies. Required minimums for written communication materials are included in the Scope of Services in Exhibit K. Please complete the table below identifying the different materials included in your proposal, who their audience is (i.e. new participants, retirees, etc.), how they will be delivered (mailed, handed out at meetings, posted on Web, etc.), how many copies are expected to be distributed each year, an indication of artwork used on the material (Y-graphs and pictures, etc.) and a description of size and color (8.5x11 four-color, 8.5x14 black and white, etc.).

Document/Material	Audience	Delivery Method	Yearly Distribution	Artwork (Y/N) - Type	Size/Color/Pages

- 464. Identify the budgeted annual amount you have assumed for producing the materials above.
- 465. Will you require additional fees if the budgeted amount is exceeded? Describe your plan for providing any additional materials requested by DRS without causing an increase in fees.

466. Describe your approach to testing changes to your Web site. Do you maintain a separate test environment?
467. DRS must approve all changes to Publications and the Web site. How will you conduct appropriate reviews?
468. For each publication listed above, provide a description of the time and resources your firm proposes to dedicate to the development of the customized communication pieces. This description should include an itemized listing of time spent by various professionals including communications consultants, graphic and design artists, writers, editors, and the expense for design, graphics, layout and printing.
469. Provide sample marketing materials that you have customized for other clients.
470. DRS will need to work closely with the record keepers on multiple communications efforts. How would you go about making sure that the lines of communication are open and that expectations are documented and being followed?
471. Describe your experience with developing forms in formats suitable for recognition via Optical Character Recognition software.
472. Can you provide targeted communications to specific groups of employees? Please provide several examples of targeted communications you could complete and how you would measure the effectiveness of those communications campaigns.
473. Describe the materials or other support you will provide to assist the program in educating participants about the use of your company's customer service center and online systems.
474. Please indicate in the Service Provided column below whether or not the following services are part of your proposal by indicating "yes" or "no". Use the Comments column to identify any qualifications on the availability of the services.

<i>Participant Statements</i>	<i>Service Provided</i>	<i>Comments or Limitations</i>
Standard format, can add client name and logo		
Completely custom format		
Modular format, can designate modules to include		
<i>Can include the following data:</i>		
• Participant name and address		
• Department code or employee number		
• Beneficiary name		

<i>Participant Statements</i>	<i>Service Provided</i>	<i>Comments or Limitations</i>
• Current contribution election(s)		
• Current investment election(s)		
• Activity by individual transaction		
• Activity summarized by type		
• Asset allocation:		
○ In percentages format		
○ In graph format		
• Fund rates of return		
• Comparative performance benchmarks/indices		
• Individual participant rates of return		
• Individual fees paid		
• Year-to-date contributions		
• Year-to-date withdrawals		
• Year-to-date investment earnings		
• Inception-to-date contributions		
• Inception-to-date withdrawals		
• Inception-to-date investment earnings		
• Employer specific messages		
• Employee specific messages (varying based on demographic criteria)		
• Social Security Projections		
• Defined Benefit Plan Projections		

*Projections would be provided by DRS for inclusion in statements.

475. Attach a copy of the participant statement you intend to prepare for DCP.
476. Provide a sample timeline for development and issuance of quarterly statements, including milestone items such as drafting of statements and newsletters, DRS review, updating, finalization, incorporation of investment performance data, and mailing. Identify the parties assumed to complete each task (DRS, record keeper, etc.).
477. For your five largest clients, provide your firm's statement accuracy percentage (i.e., the percentage of statements that are not mailed on the normal mail date because of an

unresolved discrepancy). Confirm that you will agree to incorporate a minimum error percentage in your contract.

478. Describe the process you employ for undeliverable statements.
479. For how long will participant's statements be available for viewing after termination of your contract?
480. How do you prefer to coordinate returned mail (including statements)? What steps would you recommend to ensure customer addresses are kept up-to-date? Explain.
481. What statement content may be selected or de-selected by DRS?
482. Can statements be e-mailed rather than mailed? If yes, can each member make the selection? Additionally, do you provide members with the choice to receive other vendor communications either by mail or e-mail? Can a participant receive information via text? If not, do you see this as an option in the future?
483. If statements are posted on your Web site, does the participant receive an e-mail notification that they are available?
484. On occasion, DRS may require the record keeper to post specialized payments. Can you post specialized payments and label them individually, so participants can see them on their statements?
485. Attach samples of the communication materials you would use to communicate investment performance information to both new participants and existing participants. Describe what comparative information you will be able to provide (i.e. performance benchmarks).
486. What investment performance information is available via the Web site and voice response system?
487. Describe the financial modeling software you will make available to participants, how it is populated, maintained, audited and updated, as well as the participant benefits that may be derived from using that service. Provide a Web site address and any necessary password for DRS to review the software.
488. Specifically list each material that your company makes available in a foreign language.
489. What materials are available for participants that are visually impaired?
490. What materials do you provide to terminated participants eligible for distributions?
491. Describe your proposed coordination with the existing defined contribution provider in the communication and education components of the program, assuming a transition.

492. Provide samples of communications from past conversions.
493. Describe your capability to provide video presentations. Identify other clients you provide this service for. If you choose to provide a sample video as part of your response to this RFP, please provide a digital copy, or include a link to where it is available on a Web site.
494. Do you work with an outside firm in conjunction with developing the videos? If yes, describe the firm. If no, describe the internal department that will assist in developing the videos.
495. Provide your proposed staffing for the in-person education function and a description of the types of personnel to be involved. Also provide in an appendix an organizational chart and the names and resumes of individuals in your organization who would be primarily responsible for the customer service function. Describe the roles, responsibilities and qualifications of each and provide a typical job description. Identify the number of FTEs that would be dedicated only to these plans.
496. As described in Exhibit Q, the DRS will continue to be involved in conducting some employee education. Please explain how your organization would coordinate one-on-one consultations and group education meetings in conjunction with the DRS.
497. Describe a typical one-on-one consultation you would offer a participant. How would your representatives respond to questions regarding the investment options, what information would be provided, and the approach that the representative would take toward making suggestions or giving advice? Describe how your representatives will ensure that inquiries are appropriately directed to another party if needed.
498. It is expected that the selected record keeper will conduct group sessions that provide interactive instruction to participants.
- a. Describe any tools and materials you would make available to participants in your group meetings.
 - b. Describe any access to financial workshops/group meetings that you provide on an online basis.
 - c. Describe your seminars or workshops that are directed toward individuals who are nearing retirement.
 - d. Describe how you would work with employers to provide and tailor group sessions at the employers' requests.
499. Describe the content of the on-going group education that your company would conduct. This description should be complete and include all topics covered. Provide sample education materials.

Meeting Title	Content

500. Identify the total number of group meetings you have assumed would be provided annually. Will you include this number in the contract as part of annual performance standards?

Annual Group Meetings:

501. Please provide a project plan for transitioning some or all of the communication and education services in Exhibit Q currently provided by DRS to your organization.

502. Please review Exhibit Q – Matrix of Communication and Education Services for a listing of current education services provided by DRS to members. With the context that it is DRS goal to provide its members with exemplary customer service, please describe how your representatives would approach this objective and encourage participants to become retirement ready. How would you propose your representatives engage participants in group meetings and individual sessions to increase awareness of the need for retirement goals?

503. What criteria are used to evaluate the effectiveness or success of a particular education campaign?

Supplemental Education Services

504. Please describe supplemental education services you are able to provide to participants, such as debt management, education funding, estate planning, and other topics that generally extend beyond typical retirement planning.

505. How many years has your company been providing these services? How many clients utilize these services?

506. What staff provides these services? Are the services provided by the same staff that provides general retirement education services? Identify the number of staff within your organization that provides supplemental education services. Does the staff have any special training or certifications, such as CFP™ designations?

507. Identify the fees associated with supplemental education services. Describe the level of servicing associated with these fees (quarterly seminars, etc.)

Enhanced Communication Services

- 508. Do you provide, or are you able to provide, a sample asset allocation based on available data from participants? Describe how you would determine, implement, and explain allocation strategies to a participant, including what medium you would use to communicate with the participant?
- 509. How would you utilize telephone, email, Skype, or other electronic communication services to consult with a participant?
- 510. Please provide an example of a statement that encompasses defined benefit, defined contribution and social security projections that can be sent out as a separate annual mailing to participants.

Voice Response System/Participant Website

- 511. Provide the volume for the following technologies for the last 8 annual quarters.

<i>Qtr/Year</i>	<i>Voice Response</i>	<i>Benefit Service Rep</i>	<i>Internet</i>
Q1 2014			
Q4 2013			
Q3 2013			
Q2 2013			
Q1 2013			
Q4 2012			
Q3 2012			
Q2 2012			

a) Describe the reason for any unusual increases or decreases in the volumes above.

- 512. Indicate with a “Y” or “N” which services are available to participants through each technology.

	<i>Customer service rep</i>	<i>Voice response</i>	<i>Internet</i>	<i>Describe process if not available through technology</i>
Custom greeting using client name				
<i>Enrollment:</i>				
• Request forms				
• Select elections				

	<i>Customer service rep</i>	<i>Voice response</i>	<i>Internet</i>	<i>Describe process if not available through technology</i>
<i>Fund information:</i>				
• Request material				
• Prior day NAV/unit value				
• Performance information				
• Benchmark comparison information				
<i>Investment transfers of existing balances:</i>				
• Rearrange balances				
• By percent				
• By dollar amount				
• Changes in payroll deferral percentage (salary deferral)				
• Suspend contributions				
• Contribution rate modeling				
• Change investment direction for future contributions				
<i>Final distribution:</i>				
• Learn amount available				
• Tax modeling				
• Model payment options available on final distribution				
• Request form				
• Request distribution (paperless)				
<i>Participant addresses:</i>				
• Request form				
• Make changes				
<i>Beneficiary:</i>				
• Initial designation				
• Request form				

	<i>Customer service rep</i>	<i>Voice response</i>	<i>Internet</i>	<i>Describe process if not available through technology</i>
• Make changes				
<i>PIN/Password:</i>				
• Establish PIN				
• Change PIN				
• Request lost PIN				
<i>Statements on demand:</i>				
• Last quarterly statement				
• Current balance				
• Participant specified period				
• Transactions since last period				

513. Please provide the following statistics for the time periods indicated:

	<i>Calendar Year 2012</i>	<i>Calendar Year 2013</i>
Quality standard for VRS answer time in number of seconds		
Average actual VRS answer time in number of seconds		
Quality standard for VRS downtime (hours per month)		
Average actual VRS downtime (hours per month)		
Number of Phone Service Representatives		
Average length of calls with Phone Service Representatives		
Quality standard for number of seconds on hold while call transfers to Phone Service Representatives		
Average actual number of seconds on hold while call transfers to Phone Service Representatives		
Quality standards for call abandonment rate		
Actual call abandonment rate		

	<i>Calendar Year 2012</i>	<i>Calendar Year 2013</i>
Percentage of calls requiring call back		
Quality standard for amount of time to call back with status on issue		
Average actual amount of time to call back with status on issue		
Number of calls per Phone Service Representative monitored by supervisor on a monthly basis		

514. Describe the reports that the state will receive relating to call volumes, response times, abandoned calls, number of transactions, etc.
515. What is your procedure and timing for issuing PIN/Passwords? Describe how PIN/Passwords are assigned. Is the same PIN/Password used for voice response and Internet? What security features are in place to ensure only the correct participant is given personal information?
516. Describe process for changing the PIN/Password.
517. What activity can a participant without a PIN/Password complete? Does the plan sponsor decide to permit access and what criteria will be used?
518. Do Phone Service Representatives have access to participant PIN/Passwords?
519. Do you provide alternatives to using a PIN/Password for participant access to the record keeping system?
520. Describe your experience with providing the confirmation letters outlined in the Scope of Services in Exhibit K. Are there letters that will need to be newly created for DRS? Provide samples if possible.
521. Please indicate and describe whether your organization has adopted “smart” phone technology and mobile technology. For what processes or transactions is the technology available?

Customer Call Center

522. Provide your proposed staffing for the DCP customer service function and a description of the types of personnel to be involved. Also provide in an appendix an organizational chart and the names and resumes of individuals in your organization who would be primarily responsible for the customer service function. Describe the roles, responsibilities and qualifications of each and provide a typical job description. Identify the number of FTEs that would be dedicated only to this plan.

- 523. What percentage of the Phone Service Representatives who leave that job stay within your organization?
- 524. What is the average tenure of Phone Service Representatives in your call center?
- 525. Identify the hours of initial and ongoing training that Phone Service Representatives receive.
- 526. Describe the toll-free telephone system you will provide. What hours are the Phone Service Representatives available (Pacific Time)?
- 527. How will Phone Service Representatives be trained on specifics of the DCP plan? List the atypical characteristics of the plan that you feel would be important to cover in the training.
- 528. Please describe how participants without touch-tone telephone service will be accommodated.
- 529. Identify the number and percentage of Phone Service Representatives that are fluent in Spanish and other languages. Identify other languages in the table below.

	Spanish	[other]	[other]	[other]
# phone reps				
% phone reps	%	%	%	%

- 530. Does your organization use the AT&T Language Line or an equivalent service to assist participants who speak a language other than English or Spanish?
- 531. Are all conversations recorded? If yes, can the plan sponsor monitor recordings? How long does your organization maintain recordings? Can the plan sponsor monitor calls live?
- 532. In staffing Phone Service Representatives, how many participants do you assume a single Phone Service Representative can cover?
- 533. How many hours per day do Phone Service Representatives spend on the phone on average (over last year)?
- 534. What security procedures do you use at your customer service center to authorize transactions that a participant makes over the phone?
- 535. Where is your customer service center located? Will your record keeping and administrative services also be processed at this location? If not, where will these services be located?

536. Identify if any call center staff outside of the United States is used, and how your company monitors the performance of this group.
537. When a Phone Service Representative speaks to a participant, can the Phone Service Representative see other transactions performed by the participant earlier the same day via VRS or Internet?
538. What records do Phone Service Representatives have direct access to when handling a telephone inquiry? Do they have access to imaged documents? Do Phone Service Representatives have access to workflow tools used to track participant processing by the administration team?
539. Describe your customer service staffing plan to deal with peak volume, such as after the issuance of participant statements or a plan change. Describe the process to determine if you have sufficient lines to handle call volume. How frequently is this checked?
540. Confirm your ability to provide TDD services during all hours of telephone customer service availability.
541. How are investment advice questions handled by customer service representatives? Is there a separate queue with specialized and licensed representatives to address investment specific questions?
542. Do you separate services for retirees from those provided to active plan participants? For example, is certain staff assigned to handle retirees' questions regarding their accounts?
543. If a call must be transferred from one Phone Service Representative to another or to a supervisor, can data and the call be transferred simultaneously? If no, how is the transfer accomplished?
544. How are member's calls logged and tracked and who has access to that information? Can DRS request a transcript or recording a member call?

545. Can Phone Service Representatives provide the following services to participants:

Service	Yes/No
Simultaneous (“live”) access to Internet account to demonstrate how to execute a transaction	
Generic direction to participants regarding the execution of Internet transactions	
Simultaneous (“live”) access to VRS to demonstrate how to execute a transaction	
Generic direction to participants regarding the execution of VRS transactions	

Internet

- 546. Confirm you will provide a custom Web site dedicated to DRS. Describe the attributes of the site that may be customized for the Program. Can DRS choose a custom URL? organization.
- 547. What communication materials do you offer on the participant Internet site?
- 548. Confirm you will duplicate the materials available on the current Web site.
- 549. What retirement planning and investment related tools will be available through the Internet site?
- 550. What targeted materials will be available via the participant Web site?
- 551. Describe other tools and services available to participants through your Internet site.
- 552. Can participants e-mail account-specific questions via the Internet site? If yes, who receives the e-mail, researches the issue and responds? Do you have responses generated by key words?
- 553. What is the most current data available to participants over the Internet?
- 554. How much historical information will participants have access to over the Internet site?
- 555. What language services other than English are available for the DRS Web site? If an Internet translation service is offered, describe the services that are provided.

556. Describe your company's experience with providing education session schedules online, including the ability to register for sessions online. How will DRS education representatives be able to access registrant lists? Indicate if you provide this service for other clients.
557. Do you have any experience in providing financial modeling software?
558. Describe your experience with providing an e-mail inbox for member inquiries. What other plans do you provide this service for? Will responses be provided within one business day?
559. Software on the Internet site is subject to DRS review and approval. Describe the review and approval process you would propose to use, including how material would be presented to DRS. Identify other clients that review and approve software applications.
560. DRS utilizes Web site calculators to help customers with certain types of projections. How would you support these calculators? Please explain any enhancements you would recommend.
561. Provide the address and necessary access codes or passwords in order to test your Internet capabilities. If separate codes are needed for access to participant and plan data, provide both.
562. How do you coordinate Web site updates? Do you have different processes/timelines for different types of updates? If so, please explain process, with timelines, for each of the following:
- Emergency Update (text only)
 - Standard/operating Updates(posting PDF, Text changes, etc)
 - Web re-structuring to accommodate a new marketing plan
563. Customers call DRS with complex questions that often involve what they are seeing on our record keeper's secure, account access Web site. DRS would like the ability to follow them click-by-click, so DRS staff can see the same fund detail and answer questions. How will you provide this service?
564. DRS currently maintains a Single Sign-On system alongside other state services. Do you have experience with Single Sign-on with any other clients? Describe your experience and confirm you are able to accommodate this system.
565. DRS requires our customers have fast and easy access to their accounts. We are concerned about server speed on both the public side and secured side of our Web sites. How will you monitor Web site usage to ensure our customers are receiving consistent and fast service? What specific targets will you use? What plan will you execute, if you fail to meet your targets?
566. DRS is interested in providing DCP participant with a way to see their DB and DC information together – side by side. How would you approach providing a single view of

the information maintained by DRS with the DC data maintained in your record keeping system? Describe your experience displaying side-by-side views (DB and DC) for other clients. Do you have experience integrating a 457 plan? Please describe.

Voice Response System

567. Provide the phone number and necessary access codes or passwords in order to test your VRS capabilities.
568. Is the voice system key entry only or does it have natural voice recognition capabilities as well? Indicate all that apply:
- Key entry
 - Voice recognition (number, short phrases)
 - Natural voice recognition (full speech and sentences)
569. Is your VRS available in Spanish or any other languages?
570. If a participant is using the Spanish VRS, which of the following applies:
- Election for Spanish will be retained and Spanish is automatically offered next time participant calls?
 - Participant opts out to Spanish Phone Service Representatives automatically?
 - Materials requested via the VRS will be provided in Spanish?
571. What is the VRS downtime per month for maintenance in hours?
572. Can plan sponsor broadcast special messages? If yes, indicate all parties that can actually record the message.
- Plan Sponsor
 - Your organization
573. How does a participant transfer to a Phone Service Representative from the VRS?
574. Will the VRS alert a participant to the anticipated hold time before a Phone Service Representative will be available?
575. When a participant transfers from the VRS to a service representative:
- Will the participant's PIN/Password automatically transfer or must it be reentered?
 - Must the participant's SSN be reentered by the representative?
 - Will the representative know what VRS function the participant was using at the time they transferred?

576. How many calls is your telephone system equipped to handle simultaneously? What are the average daily call volumes over the last six months?

Management Reporting

577. Confirm that you will provide the reports described in the Scope of Services in Exhibit K. Identify any reports that will need to be specifically developed or changed/modified for DRS, as opposed to being existing reports.

578. Confirm you will provide the financial reports listed in Exhibit L.

579. Confirm that you will provide an up-to-date customized administration manual. Provide a sample table of contents from a customized administration manual.

580. How frequently does your organization provide a client service report on plan activity to the clients typically? Provide a sample copy of the report.

581. Indicate which features your client service report contains.

Plan level breakdown of:	
• Asset allocation	
• Cash flow	
• Withdrawal/distribution activity	
• Fund performance	
• Participant access statistics	
Demographic breakdown of:	
• Asset allocation	
• Cash flow	
• Withdrawal / distribution activity	
• Fund performance	
• Participant access statistics	
• Participant rates	
• Comparative data	
• Client-specific data	
• Other features?	

582. List all key reports that are furnished to a plan sponsor as part of your normal fee. Indicate the contents of the report, frequency it is provided, and media.

For Frequency Column use the following codes:

A = Annual Q = Quarterly W = Weekly

D = Daily S = Semi-annual

M = Monthly U = Upon Request

586. In how many days from request are ad-hoc reports produced and delivered in hard-copy?

Regulatory Services

587. Describe how you monitor IRC Section 401(a)(9) required minimum distributions, including:

- Identification of individuals
- Determination of the amount of the minimum required payment
- Payment within required deadlines

588. How does your organization write and send a letter of explanation to the participant?

589. Describe your company's experience with the following domestic relations orders, as described in the Scope of Services in Exhibit J:

- Legal Order Payee (LOP) Split
- Property Division Orders
- Orders to Withhold and Deliver

Describe the services you will provide to support DRS in administering these.

590. Does your organization have separate dedicated legal staff for defined contribution activities? Identify the number of FTE that are dedicated to defined contribution plans. If none are dedicated to defined contribution plans, identify the other services they provide.

591. Describe the type of legal and compliance support provided in your proposal and any fees that would apply to those services. List fees, if any, both here and in the Fee Proposal section.

592. Identify the types of legal support that are not included in your proposal.

593. What notification will you provide DRS when there are changes that could impact our 457 plan or defined contribution plans, in general?

594. How will you ensure the program remains in compliance with regulatory and legislative changes?

595. How do you ensure that the record keeping system is in compliance with all regulations?

596. Will your organization provide DRS specific updates on federal legislative changes? If yes, how frequently? Provide samples of any regulatory updates provided to clients.

597. How will you comply with the annual audit requirement as described in the Scope of Services in Exhibit K? Please also confirm you are able to accommodate any requests associated with an IT audit.

Investments

598. Confirm that you can administer the investment options currently offered. Identify any concerns or issues. Describe any situations in which you interface with plan sponsors' investment groups similar to the WSIB.
599. Confirm that you will administer any investment options selected in the future. Identify any limitations or fees you may impose.
600. As WSIB selects or de-selects investments, the record keeper will perform fund additions and fund mapping. While DRS does not anticipate frequent changes the investment line-up, confirm that your company will perform fund changes as needed by DRS, without limitation.
601. Provide recommendations for participant communications and a strategy to reduce participant concerns and/or complaints during fund changes. Will your company send letters to impacted participants?
602. Identify the notice period that your firm would need to add a new fund.
603. Identify the notice period that your firm would need to substitute a fund (map assets from one fund to another).
604. Describe your company's experience in coordinating on a daily basis with a variety of investment companies. List the investment companies that you currently deal with on a daily basis. Indicate whether there are any investment companies with which your company cannot work.
605. Would your fees be impacted if the number of investment options available increased? Identify any appropriate fees here and in the Fee Proposal form.
606. Describe your experience with investments similar to the Savings Pool that have monthly rates set and interest calculated and credited daily. Confirm the timing necessary for receiving monthly rates in order to apply the appropriate unit values for the following month.
607. Describe your ability to interface with the WSIB. Describe similar client relationships.
608. Describe your experience with fund offsets as described in the Scope of Services in Exhibit K. Confirm your ability to provide the services requested, and identify the three largest clients you currently provide similar services for. Describe the services provided for each client.
609. Confirm your ability to deduct plan fees as described in the Scope of Services in Exhibit K. Identify other methods of deducting fees that your system can handle.

610. Describe your ability to provide a cash account for disbursements.
611. Confirm your ability to provide the services requested, and identify the three largest clients you currently provide similar services for. Describe the services provided for each client.
612. DRS may decide to change our Administrative Fee processes. How does your organization prefer to handle administrative fees?
- If we choose to deduct fees monthly, by adjusting the daily capital stock activity, (as we do with Plan 3,) would that be a problem?
 - If we choose to deduct fees quarterly, posting fees to participant accounts on quarterly statements, (as we do with DCP,) would that be a problem?

Investment Advice

613. DRS does not anticipate awarding investment advice and managed account services initially under this RFP, although it wishes to understand the capabilities of proposing firms to offer such services. Please describe your participant investment advice services you are able to make available, including the number of years you have been providing the services and the number of clients that utilize them.
614. Does your firm utilize an independent advice provider to provide the services? If yes, identify the provider and how long you have worked with the firm. What does your due diligence entail and what periodic reviews take place.
615. What fiduciary responsibility does your firm accept for the advice services provided?
616. Identify the fees associated with the investment advice services.

Bidders that elect to submit a proposal for scenario three must complete the questionnaires for both scenario one and two. Please be succinct with your answers.

Please note that the following questions address specifically how your organization will recordkeep and service both Plan 3 and DCP. For evaluation purposes, responses to questions under both scenarios one and two will also be reviewed.

7.3 QUESTIONNAIRE – SCENARIO THREE: COMBINE THE PLANS UNDER ONE TPA

Conversion and Transition Support

617. Please provide a summary as to why DRS should consider consolidating both Plan 3 and the DCP under one recordkeeper. Please describe the operational/administrative efficiencies that may be gained under consolidation as well as the streamlined approach to educating and communicating to employees and participants.
618. List the roles and responsibilities of the conversion team. Identify the expected members by name if they have been identified. Identify what team members will be 100% dedicated to the conversion, and identify dates and number of team members that would be in Olympia.
619. Please provide the name and title of the individual who will be named as the Implementation and Transition Manager. Please include a biography and the number of conversions he/she is currently working to implement.
620. Provide a draft conversion plan, including target dates for the appropriate milestones. The DRS has requested a 6 month transition period to begin on January 1, 2015 and conclude with the transfer of assets on July 1, 2015. Please describe whether this 6 month time frame is acceptable to accommodate this transition and please describe your experiences with similar projects for similar sized clients. Please describe any risks that you foresee and how these may be mitigated with additional time and/or preparation.
621. Comment on unique problems associated with plans with extensive customization, and approaches that limit risks during this conversion.
622. In your experience, what are the typical causes of delays during the conversion process? Please provide solutions as to how you would overcome or minimize any delays?
623. Describe how you would propose to communicate the implementation to participants.
624. If you are an incumbent provider, summarize any service and or price changes that are included in your proposal. How would you propose to communicate these to participants?
625. Do you currently have adequate staffing internally to staff for both the Plan 3 and the DCP implementation? If you expect to use existing staff, demonstrate how you will be

- able to handle the implementation of a plan this large. To the extent you do not, how will staff be added?
626. If any of the team members will not be working exclusively on this implementation, how many additional plans/programs will they be working on?
 627. Describe any experience your company has had in conversions from the incumbent administrator(s). Provide brief reference and contact information for the three largest.
 628. A conversion of this size and scope will require considerable resources and focus of your organization. How do you monitor the effectiveness and quality of your conversion process and team to ensure a successful transition and limited disruption to the participant experience and DRS?
 629. Describe the testing of data received from the previous record keeper. How do you confirm the data is consistent with previous test data? Do you anticipate any challenges with managing the receipt and analysis of data from multiple administrators?
 630. What documentation will be provided to DRS regarding tests conducted and their results?
 631. Describe your ability to coordinate a post-transition audit for Plan 3 and DCP.
 632. Will there be a blackout period? If so for how long? Do you anticipate a longer blackout period given the size and scope of the project? Are there any risks or challenges in reconciling data for both plans during the transition process? Assume complete data is received from the prior record keeper in good order. Fully describe all the components and restrictions of the blackout period. Indicate a minimum and maximum number of days.
 633. Given that the transition includes both Plan 3 and DCP, how will you guarantee your stated implementation time frame?

634. Please provide the following statistics regarding the DRS conversion:

	<i>Response</i>	<i>Comments</i>
Minimum and maximum lead time from selection date until asset conversion date		
Minimum and maximum number of business days from receipt of reconciled data from prior record keeper until system “live date”		
Minimum number of business days from system “live date” (reconciliation data is loaded) until:		
Participant Internet inquiry access		
Plan Sponsor online/Internet access		
Transactions permitted during conversion blackout period		
Final distributions		
Other		

635. How do you propose to handle benefit payments for Plan 3 and DCP?

636. List all conversions scheduled for the next 12 months and the scheduled completion dates.

637. What is the latest notification date your company requires in order to meet the identified implementation date of July 1, 2015?

Communication/Education

638. Describe your experience with a client where your company administers multiple defined contribution plans. What communication issues and challenges did you encounter and how were they resolved? What are the benefits to communicating to participants under one recordkeeping platform? What are some of the challenges that may be faced?

639. DRS requires vendors to provide fully customized communication/educational materials, including hard and electronic copies. Required minimums for written communication materials are included in the Scope of Services in Exhibit J and K. Please complete the table below identifying the different materials included in your proposal, who their

audience is (i.e., new participants, retirees, etc.), how they will be delivered (mailed, handed out at meetings, posted on Web, etc.), how many copies are expected to be distributed each year, an indication of artwork used on the material (Y-graphs and pictures, etc.) and a description of size and color (8.5x11 four-color, 8.5x14 black and white, etc.).

Document/ Material	Audience	Delivery Method	Yearly Distribution	Artwork (Y/N) - Type	Size/Color/ Pages

- 640. Identify the budgeted annual amount you have assumed for producing the materials above.
- 641. Will you require additional fees if the budgeted amount is exceeded? Describe your plan for providing any additional materials requested by DRS without causing an increase in fees.
- 642. Can you provide targeted communications to specific groups of employees that take into account a participant’s behaviors in both DCP and Plan 3? Please provide several examples of targeted communications you could complete and how you would measure the effectiveness of those communications campaigns.
- 643. DRS must approve all changes to Publications and the Web site. How will you conduct appropriate reviews?
- 644. Who would be DRS’ primary contact regarding marketing? The State expects this to be a senior level marketing employee/consultant.
- 645. Does your organization provide a consolidated participant statement that will reflect the balances of both Plan 3 and DCP? Please provide a sample of what this statement will look like. Please indicate in the Service Provided column below whether or not the following services are part of your proposal by indicating “yes” or “no”. Use the Comments column to identify any qualifications on the availability of the services.

<i>Member Statements</i>	<i>Service Provided</i>	<i>Comments or Limitations</i>
Standard format, can add client name and logo		
Completely custom format		
Modular format, can designate modules to include		
<i>Can include the following data:</i>		
• Member name and address		
• Department code or employee number		
• Beneficiary name		
• Current contribution election(s)		
• Current investment election(s)		
• Activity by individual transaction		
• Activity summarized by type		
• Asset allocation:		
○ In percentages format		
○ In graph format		
• Fund rates of return		
• Comparative performance benchmarks/indices		
• Individual participant rates of return		
• Individual fees paid		
• Year-to-date contributions		
• Year-to-date withdrawals		
• Year-to-date investment earnings		
• Inception-to-date contributions		
• Inception-to-date withdrawals		
• Inception-to-date investment earnings		

<i>Member Statements</i>	<i>Service Provided</i>	<i>Comments or Limitations</i>
• Plan Sponsor specific messages		
• Employee specific messages (varying based on demographic criteria)		
• Social Security Projections		
• Defined Benefit Plan Projections		

*Projections would be provided by DRS for inclusion in statements.

646. Provide how you ensure that your implementation timeline includes a time frame to develop a quarterly statement, including milestone items such as drafting of statements and newsletters, DRS review, updating, finalization, incorporation of investment performance data, and mailing. Identify the parties assumed to complete each task (DRS, record keeper, etc.).
647. Describe the financial modeling software you will make available to members. Does this software take into account both Plan 3 and DCP? Can it also incorporate social security, defined benefit plan projections as well as outside investments? How is it populated, maintained, audited and updated, as well as the participant benefits that may be derived from using that service. Provide a Web site address and any necessary password for DRS to review the software.
648. Provide samples of communications from past conversions similar in scope.
649. Describe your capability to provide video presentations to promote both the Plan 3 and DCP.
650. Provide your proposed staffing for the in-person education function and a description of the types of personnel to be involved. Also provide in an appendix an organizational chart and the names and resumes of individuals in your organization who would be primarily responsible for the customer service function. Describe the roles, responsibilities and qualifications of each and provide a typical job description. Identify the number of FTEs that would be dedicated only to these plans.
651. Describe a typical one-on-one consultation you would offer a participant. How would your representatives respond to questions about both plans regarding the investment options, what information would be provided, and the approach that the representative would take toward making suggestions or giving advice? Describe how your representatives will ensure that inquiries are appropriately directed to another party if needed.
652. It is expected that the selected record keeper will conduct group sessions that provide interactive instruction to members.

- a. Describe any tools and materials you would make available to participants in your group meetings.
- b. Describe any access to financial workshops/group meetings that you provide on an online basis.
- c. Describe your seminars or workshops that are directed toward individuals who are nearing retirement.
- d. Describe how you would work with employers to provide and tailor group sessions at the employers' requests.

653. Describe the content of the on-going group education that your company would conduct. This description should be complete and include all topics covered. Provide sample education materials.

Meeting Title	Content

654. Identify the total number of group meetings you have assumed would be provided annually. Will you include this number in the contract as part of annual performance standards?

Annual Group Meetings:

655. Please provide a project plan for transitioning some or all of the communication and education services in Exhibit Q currently provided by DRS to your organization.

656. Please review Exhibit Q – Matrix of Communication and Education Services for a listing of current education services provided by DRS to members. With the context that it is DRS goal to provide its members with exemplary customer service, please describe how your representatives would approach this objective and encourage participants to become retirement ready. How would you propose your representatives engage participants in group meetings and individual sessions to increase awareness of the need for retirement goals?

Supplemental Education Services

657. Please describe supplemental education services you are able to provide to participants, such as debt management, education funding, estate planning, and other topics that generally extend beyond typical retirement planning. Do these services incorporate balances from both Plan 3 and DCP? Can it also incorporate balances from social security and outside investments held by the participant?
658. What staff provides these services? Are the services provided by the same staff that provides general retirement education services? Identify the number of staff within your organization that provides supplemental education services. Does the staff have any special training or certifications, such as CFPTM designations?
659. Identify the fees associated with supplemental education services. Describe the level of servicing associated with these fees (quarterly seminars, etc.)

Enhanced Communication Services

660. Do you provide, or are you able to provide, to Plan 3 and DCP participants, an annual personalized asset allocation, including a proposed asset allocation mix, based on available data from participants? Does this also include social security, defined benefit plan projections and outside plan investments? Describe how you would determine, implement, and explain a proposed allocation to a participant, including what medium you would use to communicate with the participant?
661. As described in Exhibit Q, the DRS will continue to be involved in conducting some employee education. Please explain how your organization would coordinate one-on-one consultations and group education meetings in conjunction with the DRS for both Plan 3 and the DCP.
662. Would you provide a plan with an approach that considers a person's entire financial portfolio, including factors such as outside investments, college savings, debts, other assets, and other benefits?
663. How would you work with a participant to create a financial plan? How would you utilize telephone, email, Skype, or other electronic communication services to consult with a participant about his or her plan, and how would you conduct an in-person financial consultation?
664. What criteria or model would you utilize in creating an individualized plan?

Customer Call Center

665. Provide your proposed staffing for the customer service function and a description of the types of personnel to be involved. Given the size of Plan 3 and DCP do you envision creating a separate queue of Phone Service Representatives dedicated to the plans? Also

provide in an appendix an organizational chart and the names and resumes of individuals in your organization who would be primarily responsible for the customer service function. Describe the roles, responsibilities and qualifications of each and provide a typical job description. Identify the number of FTEs that would be dedicated only to this plan.

666. Identify the hours of initial and ongoing training that Phone Service Representatives receive. How will Phone Service Representatives be trained on specifics of the DRS Plans? List the atypical characteristics of the Plans that you feel would be important to cover in the training (TAP vs. Self-Directed investments, plan choice, etc.). Will Representatives be able to speak to elements of the DB plan if provided specific training from the DRS?
667. Describe the toll-free telephone system you will provide. What hours are the Phone Service Representatives available (Pacific Time)?
668. In staffing Phone Service Representatives, how many members do you assume a single representative can cover?
669. Where is your customer service center located? Will your record keeping and administrative services also be processed at this location? If not, where will these services be located?
670. Identify if any call center staff outside of the United States is used, and how your company monitors the performance of this group.
671. When a Phone Service Representative speaks to a member, can the representative see other transactions performed by the participant earlier the same day via VRS or Internet from both plans?

Internet

672. Confirm you will provide a custom Web site dedicated to both Plan 3 and DCP. Will this website provide a landing page whereby employees are directed to either the Plan 3 and/or DCP login site? Describe the attributes of the site that may be customized for the Program including whether the existing URL may be hosted by your organization.
673. Describe the benefits you see of having one website that encompasses both plans. Explain how the tools and information provided by the website will benefit the participants.
674. What communication materials do you offer on the participant Internet site? How will these materials encompass information for both Plan 3 and DCP?
675. Explain how you will duplicate the materials on the current websites and create a new website that encompasses the features of both plans.

676. What retirement planning and investment related tools will be available through the Internet site? How will these tools be designed to take into account both plans, social security, defined benefit plan projections and outside investments held by each participant?
677. Describe other tools and services available to members through your Internet site.
678. Describe your company's experience with providing education session schedules online, including the ability to register for sessions online. How will DRS education representatives be able to access registrant lists? Indicate if you provide this service for other clients.
679. Software on the Internet site is subject to DRS review and approval. Describe the review and approval process you would propose to use, including how material would be presented to DRS. Identify other clients that review and approve software applications.
680. DRS utilizes Web site calculators to help customers with certain types of projections. How would you support these calculators? Please explain any enhancements you would recommend. Please also clarify how these calculators could be used to encompass participant balances in both Plan 3 and DCP, the pension plan, social security and any outside investments held by participants.
681. Provide the address and necessary access codes or passwords in order to test your Internet capabilities. If separate codes are needed for access to participant and plan data, provide both.
682. Customers call DRS with complex questions that often involve what they are seeing on our record keeper's secure, account access Web site. DRS would like the ability to follow them click-by-click, so DRS staff can see the same fund detail and answer questions. How will you provide this service?
683. DRS currently maintains a Single Sign-On system alongside other state services. Do you have experience with Single Sign-on with any other clients? Describe your experience and confirm you are able to accommodate this system incorporating all plans.
684. DRS requires our customers have fast and easy access to their accounts. We are concerned about server speed on both the public side and secured side of our Web sites. Given the number of participants who will need to access the website how will you monitor Web site usage to ensure our customers are receiving consistent and fast service? What specific targets will you use? What plan will you execute, if you fail to meet your targets?
685. DRS is interested in providing Plan 3 members with a way to see their DB and DC information together – side by side. How would you approach providing a single view of the information maintained by DRS with the DC data maintained in your record keeping

system? How would you also incorporate elements of a participants account in DCP into this single view approach?

Management Reporting

686. Confirm that you will provide an up-to-date customized administration manual that encompasses both plans. Provide a sample table of contents from a customized administration manual.
687. Explain what efficiencies could be gained from providing roll up reports to the DRS that encompass both plans. Describe what type of reports can be provided to the DRS to improve assessment of participant's retirement readiness as well as identify areas of focus or concern.
688. Can ad-hoc reports that encompass both plans be designed, requested and provided to the plan sponsor via the Internet access? What is the most current data available to plan sponsors over the Internet? Please provide sample login credentials so DRS may review the site's capabilities.

Investment Advice

689. DRS does not anticipate awarding investment advice and managed account services initially under this RFP, although it wishes to understand the capabilities of proposing firms to offer such services. Please describe the participant investment advice and managed account services you are able to make available and explain whether you have the ability to integrate advice services across both Plan 3 and DCP, including social security, pension assets as well as any outside investments held by the participant.
690. Does your system allow participants the ability to receive investment advice on one plan, but not the other?
691. Identify the fees associated with the investment advice services. Do the fees vary by plan, or is the fee scheduled determined based on total plan assets? How would fees be allocated across plans?

8 FEE PROPOSAL

It is DRS' desire to enter into a fixed price contract with a record keeper to provide the services requested in this RFP. The fees proposed must be fixed over the three-year contract, including extensions, and an increase to the fees quoted will not be permitted.

8.1 FEE PROPOSAL

The Fee Proposal Forms are Exhibit C, found at the end of this RFP.

DRS requires all Respondents to make their fee proposals in a per-participant fee and asset based format. DRS reserves the right to negotiate with the ASB for any type of, or combination of, fee structures.

8.2 ILLUSTRATION ASSUMPTIONS

Each Respondent must fully identify the pricing assumptions that it made in arriving at its fee proposal. **However**, no representations or warranties of any type or kind are made by DRS as part of this RFP as to the specific type or kind of investment products which may in the future be approved by the WSIB. Nor are any representations or warranties made as to the number of employees or eligible entities that will participate in the plans, the amount of assets that will constitute the plans, the potential usage of expected services or any other factor that might impact the provision of services to the Plans.

8.3 COMPENSATION RESTRICTIONS

The successful Respondent will receive no compensation for acting as record keeper other than the fees set forth in its fee proposal or as agreed by DRS. The successful Respondent can receive no compensation or fees from investment products offered under the plans.

Fee proposals must assume that no commissions, reimbursements, broker's fees, special premiums, or any other kind of fee or charge other than those disclosed are to be paid or will be established for payment to any third party for the state of Washington's account.

9 SUPPLEMENTAL INFORMATION

Each Respondent may present **relevant** supplemental information that the Respondent deems appropriate (i.e., the information supports or demonstrates ability to perform items listed under Scope of Services, Section 4). The Respondent may also provide supporting documentation, as necessary for evaluators to determine relevance and value. Supplemental materials must be limited to not more than ten pages.

10 EVALUATIONS AND CONTRACT AWARD

10.1 EVALUATION TEAM

The evaluation of proposals will be accomplished by an evaluation team, to be designated by DRS, which will determine the proposal most responsive to the requirements stated in this RFP. Proposals will be evaluated strictly in accordance with the requirements set forth in this RFP and any addenda that are issued.

10.2 AWARD BASED ON MULTIPLE FACTORS

The evaluation process is designed to award the contract to the Respondent whose proposal best meets the requirements of this RFP. The final selection, if any, will be based on the evaluation committee's recommendation after analysis of the Responses to Questions and the Fee Proposal, and oral presentations and site visits, if required.

10.3 EVALUATION WEIGHTING CRITERIA

Responses to the questions in Sections 7 and 8 will be organized into the following categories and scored by a DRS evaluation team and Consultant. Providers may receive a maximum score of 100 points based on the following:

Criteria	Point Value
Service Provider History and Public Defined Contribution Plan Experience	10
Service Provider Operations and Commitment to Customer Service/Issue Resolution	20
Plan Sponsor Experience: Website, Compliance Support, Relationship Management and Innovation	15
Participant Experience: Custom Website, Voice Response System and Participant Call Center	15
Participant Education: Custom Communication and Education Capabilities, Branding, Onsite Representatives and Guidance / Advice Tools	15
Overall Cost	25
TOTAL POINTS	100

The proposals submitted for Plan 3 and DCP services will be evaluated separately. The evaluation committee will review combined proposals for economies and efficiencies, including cost benefits that could potentially result from the Respondent providing services for Plan 3 and DCP.

10.4 INTERVIEWS AND SITE VISITS CONDUCTED IF NECESSARY

DRS, at its sole discretion, may elect to select the top two or more Respondents for an oral presentation and final determination of contract award. Commitments made by the Respondent at the oral interview, if any, will be considered binding. If interviews and site visits are conducted, the final selection will be based on the combined proposal, oral interview and site visit. Respondents with whom interviews are conducted will be asked to elaborate on the elements of their proposal; however, no changes whatsoever can be made to a Respondent Fee Proposal unless indicated by DRS through a Best and Final Offer process. Any such changes may be grounds for dismissing the Respondent from the bidding process. Respondents who are unsure as to whether a clarification would be considered a change to its fee proposal should contact the RFP Coordinator.

10.5 NOTIFICATION TO UNSUCCESSFUL RESPONDENTS

Companies whose proposals have not been selected will be notified via e-mail as provided in their proposal.

10.6 DEBRIEFING OF UNSUCCESSFUL RESPONDENTS

Unsuccessful Respondents will be given the opportunity for a debriefing conference. The RFP Coordinator must receive a written request for a debriefing conference within three business days after the Notification of Unsuccessful Respondent letter is e-mailed to the Respondent. The debriefing must be held within five business days following the request.

Discussion will be limited to a critique of the requesting Respondent's proposal. Comparisons between proposals or evaluations of the other proposals will not be allowed. Debriefing conferences may be conducted in person or on the telephone and will be scheduled for a maximum of one hour.

10.7 PROTEST PROCEDURE

This procedure is available to Respondents who submitted a response to this solicitation document and who have participated in a debriefing conference. Upon completing the debriefing conference, the Respondent is allowed five business days to file a protest of the acquisition with the RFP Coordinator.

Respondents protesting this procurement will follow the procedures described herein. Protests that do not follow these procedures will not be considered. This protest procedure constitutes the sole administrative remedy available to Respondents under this procurement.

All protests must be in writing and signed by the protesting party or an authorized agent. The protest must state the grounds for the protest with specific and complete statements of the action(s) being protested. A description of the relief or corrective action being requested should also be included. All protests will be addressed to the RFP Coordinator.

Only protests stipulating an issue of fact concerning the following subjects will be considered:

- A matter of bias, discrimination or conflict of interest on the part of an evaluator;
- Errors in computing the scores;
- Non-compliance with procedures described in the procurement document or with the policies of DRS or the Department of Enterprise Services.

Upon receipt of a protest, DRS will conduct a protest review. All available facts will be considered and the DRS Director or delegate will issue a decision within five business days of receipt of the protest. If additional time is required, the protesting party will be notified of the delay.

In the event that the protest may affect the interest of another Respondent that submitted a proposal, such Respondent will be given an opportunity to submit its views and any relevant information on the protest to the RFP Coordinator.

The final determination of the protest will:

- Find the protest lacking in merit and uphold DRS' action; or
- Find only technical or harmless errors in DRS' acquisition process and determine DRS to be in substantial compliance and reject the protest; or
- Find merit in the protest and provide DRS options which may include:
 - Correcting the errors and re-evaluating all proposals, and/or
 - Reissuing the solicitation document and beginning a new process, or,
 - Making other findings and determining other courses of action as appropriate.

If DRS determines that the protest is without merit, DRS will enter into a contract with the ASB. If the protest is determined to have merit, one of the alternatives noted in the preceding paragraph will be taken.

11 DRS' RIGHTS

11.1 CONTRACT AWARD

DRS intends to award the contract to the Respondent(s) with the best combination of attributes based on the evaluation criteria listed in Section 10.3 and 10.4 of this RFP.

Should DRS fail to enter into a contract with the ASB(s), DRS reserves the right to award a contract to the next most qualified Respondent(s). DRS also reserves the right to contract with more than one Respondent.

The ASB is responsible for obtaining licensing with the Department of Revenue, and complying with any other state or federal regulations necessary to conduct business in Washington, prior to performing services for DRS.

11.2 PUBLICITY

No informational pamphlets, notices, press releases, research reports, and/or similar public notices concerning this project may be released by the ASB(s) without obtaining prior written approval from DRS.

11.3 WAIVERS

DRS reserves the right to waive specific terms and conditions contained in this RFP. It will be understood by Respondents that the proposal is predicated upon acceptance of all terms and conditions contained in this RFP unless the Respondent has obtained such a waiver, in writing, from the RFP coordinator prior to submission of the proposal. Any waiver, if granted, will be granted to all Respondents.

11.4 RECORDS RETENTION

After the date of the announcement of the ASB(s), DRS will retain one master copy of each proposal which does not result in a contract for a period of three years. DRS will retain copies of the proposal(s) from the ASB(s) for a period of six years from the expiration date of contracts resulting from this procurement.

12 RFP EXHIBITS

- A. Exhibit A Certifications and Assurances
- B. Exhibit B Sample Contract including General Terms and Conditions (GT&Cs)
- C. Exhibit C Fee Proposal
- D. Exhibit D Public Records Privacy Protections Executive Order 00-03
- E. Exhibit E DRS Internet Privacy Statement
- F. Exhibit F Plan 3 Record Layouts
- G. Exhibit G Plan 3 Management Reports
- H. Exhibit H DCP Record layouts
- I. Exhibit I Information Technology Security Standard
- J. Exhibit J Scope of Services– Plan 3
- K. Exhibit K Scope of Services – DCP
- L. Exhibit L Financial Report Requirements
- M. Exhibit M Plan 3 Publications
- N. Exhibit N Plan 3 Participant and Plan Demographic Data as of December 31, 2013
- O. Exhibit O DCP Participant and Plan Demographic Data as of December 31, 2013
- P. Exhibit P Matrix of Outsourced Administrative Services for Plan 3 and DCP
- Q. Exhibit Q Matrix of Communication and Education Services and Quantities