

Connecticut Association of School Business Officials
West Hartford, CT

REQUEST FOR PROPOSALS

Issue Date: March 11, 2008

Issue Title: Third Party Administrator for 403(b) and 457(b) Programs

Period of Contract: From date of award through June 30, 2011, based upon satisfactory service, with an option to renew upon mutual agreement of both parties for two one-year renewals.

Interested firms are to submit one (1) original and eight (8) copies of their response of this Request for Proposal clearly marked, "**Third Party Administrator – 403(b)/457(b)**" to be received no later than **2:00 p.m., Wednesday, April 2, 2008** (for furnishing the services described herein.) If any prospective Offeror has questions about the specifications or other solicitation documents, the prospective Offeror should contact the Executive Director of CASBO, whose name appears below no later than five (5) business (working) days before the due date. Any revisions to the solicitation will be made only by written addendum issued by the RFP Committee. Proposals received after this time will not be accepted.

Anyone interested in obtaining the proposal documents can download the information located on the vendor page of the Connecticut Association of School Business Officials at www.ct-asbo.org.

Requests for information on this project shall be directed to:

Sharon Bruce, Executive Director
Phone: (860) 519-0023
ssbruce@comcast.net

Proposals are to be returned to:

Sharon Bruce, Executive Director CASBO
c/o Wallingford Public Schools
142 Hope Hill Rd.
Wallingford, CT 06492

The Connecticut Association of School Business Officials reserves the right to reject any and all proposals in whole or in part and to waive any informality in the request for proposal. No late proposals will be accepted. It is the sole responsibility of the vendors to ensure that proposals are delivered to the Executive Director.

Third Party Administration for 403(b) and 457(b)

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1. INTRODUCTION AND PURPOSE

The Connecticut Association of School Business Officials, hereinafter referred to as "CASBO", is requesting written proposals from Third Party Administrators (TPA) that will perform the compliance functions for CASBO's member school districts in Connecticut for IRS 403(b) and 457(b) programs. In 2007, the IRS proposed regulations for the 403(b) Retirement Plan that impose upon employers a greater responsibility in managing their 403(b) program. The purpose of this solicitation pertains to plan administration, professional review, and IRS tax and regulatory compliance services for CASBO's members' 403(b) and 457(b) tax-deferred investment programs, which are funded primarily from voluntary salary reductions made by the member districts' employees.

- 1.1 CASBO is a professional organization whose membership is composed of School Business Officials, Superintendents, and other school business personnel from 168 school districts in Connecticut. The Board of Directors of CASBO has authorized a committee to seek proposals for TPA Services.
- 1.2 Each member district maintains independent payrolls which are processed according to each participating district's schedule.
- 1.3 It is our intent to recommend an independent or 403(b) qualified TPA firm to provide compliance services based on the newly published IRS 403(b) regulations.
- 1.4 Participating member districts may have either a 403(b) or a 457(b) plan or a combination of both.
- 1.5 The Committee will review all RFP's and after an interview process, will select one or more TPA's to be presented to our membership as recommended TPA's. CASBO reserves the right to award these services to multiple providers depending on the expertise shown through the proposal process.
- 1.6 This process will allow individual member districts to contract with a TPA that was selected by the Committee, without going through their own individual RFP process. However, there is no guarantee that any or all member districts will hire the TPA's that are selected by this Committee during this RFP process.

2. SUBMISSION OF PROPOSALS

- 2.1 Proposals must be submitted in sealed envelopes clearly marked "*Third Party Administrator – 403(b) and 457(b)*" and list the company name and address. Proposals must be received no later than 2:00 p.m. on Wednesday, April 2, 2008 at the following address:

Wallingford Public Schools Business Office
Attn: Sharon Bruce, Executive Director CASBO
142 Hope Hill Rd.
Wallingford, CT 06492

One (1) original (duly marked) and eight (8) copies of the **Cover Letter**, one (1) original (duly marked) and eight (8) copies of the **Technical Proposal**, and one original (duly marked) and eight (8) copies of the **Business Proposal**, and one complete digital copy on a CD shall be delivered to the above address.

- 2.2 The submitted proposal materials shall be the documents upon which CASBO will make its initial judgment regarding a Company's qualifications, understanding of CASBO's scope and objectives, methodology, and ability to complete services under the contract.
- 2.3 Those submitting proposals do so entirely at their own expense. There is no expressed or implied obligation by CASBO to reimburse any firm or individual for any costs incurred in preparing or submitting proposals, preparing or submitting additional information requested by CASBO, or for participating in any selection interviews.

- 2.4 Submission of any proposal indicates acceptance of all the terms & conditions contained in the RFP, unless clearly and specifically noted otherwise in the proposal.
- 2.5 CASBO reserves the right to reject any and all proposals, in whole or in part, submitted in response to this RFP.
- 2.6 CASBO reserves the right to waive any and all informalities and to disregard all non-conforming, non-responsive or conditional proposals.
- 2.7 Offerors are reminded that changes to the RFP, in the form of written addenda, may be posted between the issue date and within three (3) days before the opening/closing of the solicitation. **All addenda must be signed by the Offeror and submitted with their proposal.** CASBO may, at any time, by written notification to all vendors, change any portion of the RFP described and detailed herein. Addenda will be posted to the following website: www.ct-asbo.org. Offerors are responsible for checking the website prior to submitting their proposal and shall download, print, sign, and include all addenda with their proposal submission.
- 2.8 It is the Offeror's responsibility to clearly identify and to describe the services being offered in response to the RFP. Offerors are cautioned that organization of their response, as well as thoroughness, is critical to the CASBO evaluation process. The RFP forms must be completed legibly and in their entirety; all required supplemental information must be furnished and presented in an organized, comprehensive and easy to follow manner.
- 2.9 During the evaluation of proposals, CASBO may require clarification of information or may invite an Offeror to an oral presentation to amplify and/or validate proposal contents.
- 2.10 Each Offeror responding to this RFP must supply all the documentation required in the RFP. Failure to provide documentation with the Offeror's response may result in the disqualification of the Offeror's proposal for being non-responsive.
- 2.11 Each Offeror responding to this RFP must include a Cover Letter which will describe how the Offeror meets the minimum qualifications as described herein. An Offeror's failure to provide the documentation may result in the disqualification of the Offeror's proposal.

3. TECHNICAL REQUIREMENTS/SCOPE OF WORK

CASBO requirements are, but not limited to, the criteria set forth below. Outline in writing, in the form of an Executive Summary, **how these requirements will be met for individual member districts.**

- 3.1 Provide all necessary Association of School Business Officials (ASBO), Internal Revenue Service (IRS) and National Tax Sheltered Annuity Association (NTSAA) compliant forms for Salary Reductions and Service Provider participation.
- 3.2 Provide a written plan for CASBO that is fully compliant with all IRS requirements and maintain on an ongoing basis compliance with IRS requirements customized to fit the needs of member districts.
- 3.3 Oversee all aspects of IRS compliance with each District's 403(b) and 457(b) programs by all parties involved. In the event of an IRS audit, TPA will represent the member district at the audit.
- 3.4 Develop and maintain all employee files to ensure that each participating employee has an IRS/NTSAA compliant Salary Reduction Agreement on file.
- 3.5 Assist in the preparation of communication material to be distributed to all eligible employees.
- 3.6 Obtain fully executed modified Service Provider Agreements from each investment provider conducting business with member districts. These modified Service Provider Agreements shall be compliant with all local, state, and federal regulations, with the exception of not requiring the investment providers to provide and certify Maximum Annual Contribution Limits (MAC's) to the

employee or the member district. TPA will provide these contribution calculations, and certify to member districts and the employee as to the accuracy of these calculations. Vendors that do not execute the modified Service Provider Agreement will not be permitted to enroll new participants.

- 3.7 Review all employee contributions and perform all necessary calculations to ensure member districts' compliance with all IRS regulations pertaining to 403(b) and 457(b) programs.
- 3.8 Review all contributions to ensure that additions to the 403(b) and 457(b) programs for each participant are within limits prescribed by Section 415 of the Internal Revenue Code.
- 3.9 Provide an administrative procedure manual to be used by the participating member district to administer the program. This manual shall include master copies of all forms required for the 403(b) and 457(b) processes.
- 3.10 Review all employee Salary Reduction Agreements and sign the forms to verify compliance with the Internal Revenue Code and applicable regulations. TPA shall provide a designee who shall receive all new and revised Salary Reduction Agreements. TPA shall complete review of new and revised Salary Reduction Agreements within three (3) business days of receipt. Copies of new and revised Salary Reduction Agreements may be faxed or mailed to TPA, who will verify changes by a means agreeable to the participating member district.
- 3.11 The TPA shall provide Insurance Coverage as listed in Section 10 – Insurance Requirements.
- 3.12 Serve as common remitter for the participating member districts' 403(b) and 457(b) programs, and as paying agent on behalf of the District to promptly remit all funds to participating vendors.
- 3.13 Establish a disbursement account on behalf of the participating member districts, and shall provide suitable privileges for districts to transfer funds into the account and for TPA to transfer funds out of the account.
- 3.14 The TPA shall not be responsible for any loss, damage, compliance error or expense caused by its failure to perform any duty or obligation under this Agreement which is due to causes beyond its control, such as an act of God, fire, flood, explosion, war, insurrection, riot, vandalism, strike, power failure, interruption or loss of telephone/telecommunication services, or governmental act of regulation; or errors resulting from (1) the employee's election to make contributions to a tax-sheltered annuity or custodial account sponsored by or offered through another employer, or (2) the failure of the participating member districts to provide complete and correct provider information and/or employee records and information. However, the TPA shall list a means of backup protection for all data and list its security measures in place to protect data.
- 3.15 The TPA shall defend, indemnify and "hold harmless" CASBO and participating member districts from any claim, demand, lawsuit, judgment, cost or expense, including reasonable attorney's fees, which may arise from any negligent act or omission by the TPA in the performance of services under this agreement for participating member districts, provided, however, that the TPA's obligations and liability under this Section shall not begin until after (a) the TPA has completed its compliance review of Districts' 403(b) and 457(b) programs, (b) Districts have implemented all recommendations made by TPA with respect to the Districts' 403(b) and 457(b) programs, and (c) the TPA has established the disbursement account described in Section 3.16 and has commenced making disbursements in accordance with Section 3.16. The TPA shall have no obligations or liability under this Section with respect to the time period before it completes its review hereunder; the TPA shall not be responsible for determining the propriety of contributions made after an employee's termination or employment with the District; the TPA shall not be responsible for implementing its recommendations resulting from its compliance review; and the TPA shall not be responsible for any act or omission by the District which adversely affects the TPA's ability to act as remitter for the District's 403(b) and 457(b) program. The TPA shall maintain and archive all participant 403(b) and 457(b) files and will ensure strict confidentiality of all employee data, records, and files. TPA will not make available to any outside vendor or sales/marketing organization, any records or information pertaining to Districts' employees. All of the rights available under the various annuity contracts or custodial accounts

are enforceable solely by the respective Districts' employees, by the employees' beneficiary, or by an authorized representative of the employees.

- 3.16 Districts are responsible to ensure that all monies for 403(b) and 457(b) contributions are remitted to their distribution account established pursuant to Section II as soon as possible and such funds must be available for distribution to Service Providers no later than 24 hours upon receipt of the funds. Districts will use only the TPA-approved modified salary reduction agreements and will ensure that reductions will not be initiated until such forms are signed by the appropriate parties. Districts should ensure and then advise employees that a minimum of one pay period transpires before a new salary reduction is included in payroll. Districts will ensure that no additional service providers will be added unless they execute a TPA-approved modified Service Provider Agreement. The TPA assumes no liability for new vendors that will not sign the modified Service Provider Agreement reviewed and approved by the TPA. Districts will furnish (or arrange to have furnished) all data and information requested by TPA and necessary for TPA to ensure that the operation of the 403(b) and 457(b)(b) contracts comply with the provisions of Sections 402(g), 403(b), and 415(c) of the Internal Revenue Code. Districts understand and agree that the TPA's obligation to perform the administrative and support services set forth in any resulting Agreement are subject to the obligation of the Districts to timely supply (or arrange for TPA to receive) any and all data and information requested by TPA, and necessary for TPA to ensure the Districts' compliance with the 403(b) and 457(b) programs. TPA will not be responsible for any compliance errors resulting from the Districts' failure to furnish (or arrange for TPA to receive) necessary information requested within a reasonable time, or errors resulting from any misrepresentations made by the Districts or its employees.
- 3.17 The Contractor shall not sell or give to any individual or organization any information, reports, or other materials given to, prepared or assembled by the Contractor under the final contract.
- 3.18 The sole responsibility of the Contractor is to act as a TPA providing the necessary services required having compliant 403(b) and 457(b) programs. CASBO intends to have multiple vendors conducting business with eligible employees. Because Districts intend to offer choice to employees, the TPA shall agree to offer the number of vendors decided to be in the best interests of the Districts for the life of the contract. It will be at the sole discretion of the Districts to decide if a reduction/addition in vendors is necessary.

3.19 **PROPOSED SCHEDULE**

| Activity | Date |
|---|-----------------------------|
| Release RFP | March 11, 2008 |
| Deadline for Submission of Questions | March 26, 2008 |
| Deadline for Submission of Proposals | April 2, 2008 |
| Evaluation of Proposals and Selection Process | April 9, 2008 |
| Interview Finalists, On-site Visits (if appropriate) | April 23, 2008 |
| Negotiations | April 24- May 8 2008 |
| Award of Contract | May 15, 2008 |
| Effective Date of Program | July 1, 2008 |

4. QUALIFICATIONS

Provide a statement, in the form of an Executive Summary, of Company qualifications including:

Minimum Qualification: An Offeror must meet or exceed the following minimum qualification in order for CASBO to accept a proposal as responsive. Each Offeror must provide a written explanation as to how it meets the minimum qualification. This explanation should also be included in the Executive Summary with the proposal. If an Offeror fails to respond, its proposal may be deemed non-responsive and disqualified from further consideration. If CASBO determines from the response that an Offeror does not meet the minimum qualification, the proposal may be considered non-responsive and disqualified from further consideration.

As of July 1, 2007, the Offeror must have marketed third party administration services for a minimum of three (3) years. Additionally, the Offeror must have administered plans that consist of at least 200 participants that have active salary reduction agreements in effect. Offeror must provide the name of the clients and contacts with the listed clients that are able to verify this information. Offerors should also list any current public bodies that are clients, along with their associated contacts.

- 4.1 In the Executive Summary provide the following: a) Firm's business history and activities; b) Organizational chart and list of contacts in relevant functional areas (with phone number, email, department, and title); c) Description of how requirements listed in Section 4 will be met.
- 4.2 Provide information on how long the firm has been in business and length of its experience in Third Party Administration.
- 4.3 Identify the firm's professional staff members who will be specifically assigned to this contract, the experience each possesses, and the location of the office from which they work. Provide a detailed biography and/or resume outlining the experience and credentials of all such staff members.
- 4.4 Provide a listing and description of similar Third Party Administrator and/or projects awarded with other organizations giving dates of service.
- 4.5 Provide the name and title of person(s) submitting the proposal, the firm's main office address, and primary and secondary points of contact and their telephone and fax numbers (including area codes.)
- 4.6 Detail the experience your firm and its staff have in working with public sector clients. Describe how needs specific to the public sector were met. Highlight any experience specific to school districts.
- 4.7 Provide any client references from similar public body projects. Include contact names, addresses and telephone numbers.
- 4.8 Provide any additional information that you feel would distinguish your firm in its service to CASBO.

5. TERM OF CONTRACT

- 5.1 The successful Offeror(s) shall execute a contract with interested participating member districts, incorporating all terms and conditions included in this RFP and the contractor's proposal.
- 5.2 The initial contract period shall be for a fixed period not to exceed five (5) years. At the end of the initial contract term the contract may be renewed at the discretion of the District upon mutual agreement of both parties. Contract cancellation will be at the discretion of either party with ninety (90) days advanced written notice to the other party.

- 5.3 Any contract awarded pursuant to this RFP is conditioned upon an annual appropriation made by the Districts' School Board of funds sufficient to pay compensation due the Contractor under the contract. If such an appropriation is not made in any fiscal year, and Districts lack funds from other sources to pay the compensation due under the contract, Districts are entitled, at the beginning of or during such fiscal year, to terminate the contract. In that event, Districts will not be obligated to make any payments under the contract beyond the amount properly appropriated for contract payments in the immediate prior fiscal year. Districts will provide the Contractor with written notice of contract termination due to the nonappropriation of funds at least thirty (30) calendar days before the effective date of the termination. However, the Districts' failure to provide such notice will not extend the contract into a fiscal year in which funds for contract payments have not been appropriated.

6. TECHNICAL PROPOSAL INSTRUCTIONS:

- 6.1 The Offeror must submit the Technical Proposal containing the following information, along with responses to the Technical Questionnaire (**Attachment A**):

6.1.1. Name of firm submitting proposal; main office address; when organized; if a corporation, when and where incorporated; appropriate Federal, State, and County registration numbers; and annual report or financial statement; understanding of the problem and technical approach.

6.1.2.1 Statement and discussion of the requirements as they are analyzed by the offeror.

6.1.2.2 Offeror's proposed definitive Scope of Work with explanation of technical approaches and a detailed outline of the proposed program for executing the requirements of the technical scope and achieving project objectives.

6.1.2.3 Offeror should demonstrate an awareness of difficulties in the completion of this undertaking and submit a plan for surmounting them. Special attention should be given to methodological issues that will be encountered in such a project.

6.1.3 Preliminary Work Plan:

The Offeror must present a description of the phases or segments into which the proposed program can logically be divided and performed, together with flow charts. The technical narrative should address separately each of the tasks described in the Request for Proposal and responses should be keyed to appropriate paragraph numbers. This section should also contain a discussion of any changes proposed by the Offeror that substantially differs from the project scope described in these provisions.

This section should include detailed description of activities that are to occur, significant milestones, and anticipated deliverables.

7. BUSINESS PROPOSAL INSTRUCTIONS:

- 7.1 The Offeror must submit a business proposal *in a sealed envelope, labeled Attachment B*, fully supported by cost and pricing data adequate to establish the reasonableness of the proposed fee. The following information should be submitted as part of the business proposal:

The cost of each task or segment of the task shall be itemized.

7.1.1 Offerors must provide a price breakdown for each service separately as well as totals for services provided together, if prices differ. All prices shall be provided in the price breakdown, even if not directly billed to the District, i.e. billed to the employee or vendor.

7.1.2 Offeror shall provide pricing for all costs associated with their services, even if not specified on Attachment B – Excel Spreadsheet.

Caution: Failure to break down cost elements may render the Business Proposal non-responsive.

The quoted fees must be honored for a period of one hundred eighty days (180) from the receipt of this proposal.

7.2 Pricing:

The subsequent contract will be a firm-fixed price agreement. The fee(s) will remain firm and will include all charges that may be incurred in fulfilling the requirements during the initial contract period. Changes in cost for any subsequent yearly contract renewals, may be considered, but shall not exceed the Consumer Price Index (CPI-U), Table 10, selected local areas, Northeast. Price increase requests for subsequent contract periods shall be accompanied by the then current Consumer Price Index, Table 10, along with any other information deemed necessary by Districts to substantiate a requested price increase.

8. EVALUATION AND AWARD CRITERIA:

8.1 CASBO intends to award a contract to the proposal or proposals that offer its member districts the best value in consideration of the evaluation criteria included in this solicitation. The committee will review and evaluate all proposals submitted in response to this RFP. The committee shall conduct a preliminary evaluation of all proposals on the basis of the information provided and the evaluation criteria listed below. Based upon this review, the business proposals of the highest rated Offeror(s) will then be reviewed. Based on the results of the preliminary evaluation, the highest rated Offeror(s) will be invited by CASBO to make oral presentations to the proposal committee on April 23, 2008, at the Meriden Public Schools Central Office, 22 Liberty St., Meriden, Connecticut. This committee will then conduct a final evaluation of the proposals.

The proposal committee shall then negotiate with one or more Offerors deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation criteria listed below. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each Offeror, so selected, CASBO shall recommend the Offeror(s) which in its opinion, have made the best proposal to its member districts. At this time, the Offeror and the proposal committee may negotiate any changes desired in the offer if deemed to be in the best interest of member districts. The proposal committee will make appropriate recommendations to the CASBO Board of Directors.

8.2. Proposals shall be evaluated based on the criteria listed hereunder. Information and/or factors gathered during interviews, discussions, and/or negotiations shall also be utilized in the final selection decision.

8.2.1 Qualifications as a duly licensed and appropriately staffed firm with qualified and experienced personnel.

8.2.2 Depth of response to the technical requirements/scope of work (Section 4) and Qualifications (Section 5).

8.2.3 Depth of response to the Technical Questionnaire (Attachment A).

8.2.4 Details of the approach and methodology of program.

8.2.5 Reasonableness of costs included in Business proposal (Attachment B).

8.3. AWARD OF RFP: CASBO may cancel this RFP, reject proposals or any portion thereof at any time prior to an award, and is not required to furnish a statement of the reason why a particular proposal was not deemed to be the most advantageous. Should CASBO determine in writing and in its sole discretion one or more Offerors are fully qualified, or that one or more Offerors are

clearly more highly qualified than the others under consideration, after negotiations a recommendation will be made to the CASBO Board. Participating Member Districts will issue an award contract that references all the requirements, terms, and conditions of this solicitation and the Contractor's proposal as negotiated. Further negotiations of the contract is at the discretion of the participating member districts and the TPA's.

- 8.4 CASBO reserves the right to make on-site visitations to assess the capabilities of individual Offerors and to contact references provided with the proposal.
- 8.5 Offerors should provide complete, thorough proposals with the offerors most favorable terms. Should proposals require additional clarification and/or supplementary information, Offerors should submit such additional material in a timely manner.
- 8.6 Proposals which, after discussion and submission of additional clarification and/or supplementary information, are determined to meet the specifications of this RFP will be classified as "acceptable". Proposals found not to be acceptable will be classified as "unacceptable" and no further discussion concerning same will be conducted.

Connecticut Association of School Business Officials

OFFERORS PLEASE READ

9. GENERAL TERMS AND CONDITIONS, INSTRUCTIONS TO BIDDERS, AND INFORMATION FOR BIDDERS

1. SUBMISSION AND RECEIPT OF PROPOSALS:
 - (a) Proposals, to receive consideration, must be received prior to the specified time of opening as designated in the invitation.
 - (b) Unless otherwise specified, bidders must use the proposal form furnished by CASBO. Failure to do so may cause bid to be rejected. Removal of any part of the bid proposal may invalidate the bid.
 - (c) Proposals having any erasures or corrections must be initialed by bidder in ink. Bids shall be signed in ink. All quotations shall be typewritten or filled in with pen and ink.
2. WARRANTIES FOR USAGE AND QUANTITY: Whenever a bid is sought seeking a source of supply for a specified time for materials or services, the quantities or usage shown are estimated only. No guarantee or warranty is given or implied by CASBO as to the total amount that may or may not be purchased from any resulting contracts. These quantities are for bidders' information only and will be used for tabulation and presentation of bid.
3. PRICES TO BE FIRM: Bidder warrants by virtue of bidding that prices, terms, and conditions quoted in his bid will be firm for acceptance for a period of one hundred and eighty (180) days from the date of bid opening unless otherwise stated by CASBO or bidder.
4. CASH DISCOUNTS: Cash discounts will be considered in determining the award. All discounts shall be included in the unit prices.
5. SIGNATURE REQUIRED: All quotations and proposals must be signed with the firm name and by an officer or employee having the authority to bind the company or firm by his signature.
6. ACCEPTANCE OF SERVICES: In the event the services supplied to the participating districts do not conform to specifications, the participating districts reserve the right to cancel the contract upon written notice to the Offeror.
7. VARIATIONS TO SPECIFICATIONS: For purposes of evaluation, bidder must indicate any variances from our specifications and/or conditions, no matter how slight. If variations are not stated in the proposal, it will be assumed that the services fully comply with our specifications.
8. DEFAULT PROVISION: In case of default by the bidder or contractor, the declaration of which shall be in the sole discretion of School Board, the said School Board may procure the services from other sources and the defaulting bidder or contractor shall be liable for any and all costs in excess of the contract price occasioned by or resulting from such default whether directly or indirectly.
9. PRICING: Prices should be stated in units of quantity specified in the bidding specifications. In case of discrepancy in computing the amount of the bid the unit prices will be used. The bid price for each successive year must be greater than or equal to the preceding year. All front loaded bids will be rejected.
10. COPYRIGHTS OF PATENT RIGHTS: Bidder warrants that there has been no violation of copyrights or patent rights in manufacturing, producing, or selling the goods shipped or ordered as a result of this bid, and seller agrees to hold the purchaser harmless from any and all liability, loss, or expense occasioned by such violation.
11. TAXES: Participating districts are exempt from any taxes imposed by state and/or federal government. Exemption certificate will be supplied on request.
12. LICENSES, PERMITS, AND FEES: All bids submitted shall include in price the cost of any business and professional licenses, permits, or fees required by participating districts.
13. FAILURE TO QUOTE: If a bidder does not quote, return quotation sheet and state reason. Otherwise, your name may be removed from our vendor list.
14. SIGNED BID CONSIDERED AN OFFER: This signed bid shall be considered an offer on the part of the bidder or contractor whose offer shall be deemed accepted upon approval by CASBO, and in case of default on the part of the bidder or contractor after such acceptance, CASBO may take such actions as it deems appropriate, including legal action for damage or specific performance.
15. REJECTION AND AWARD OF BIDS: CASBO reserves the right to accept or reject any or all bids or parts of bids, to waive informalities, and to request rebids. CASBO also reserves the right to award the contract as it deems will best serve its members' interests. Member districts may elect to enter into a contract with one of the successful vendors that meet the criteria outlined in the bid.

It is the intention of CASBO to award the bid to multiple vendors. There is no guarantee on the number of member districts that will enter into a contract with the vendors awarded the bid.

16. **VENDOR RESPONSIBILITIES:** Bids must be properly identified on the return envelope and properly submitted, as specified on the first page of the bid. Failure to do so may result in rejection of the bid.
17. **COMMENTS CONCERNING SPECIFICATIONS:** Any vendor wishing to make comments concerning specifications or other provisions of this RFP should do so by email to CASBO's Executive Director, Sharon Bruce, at ssbruce@comcast.net no later than five (5) working days prior to the specific date of opening.
18. **LICENSE:** Any bidder not licensed as may be required by federal, state, or city law shall be determined a non-responsive bidder.
19. **TERMS OF PAYMENT:** Payment will be made to the vendor within sixty (60) days upon receipt of all invoices.
20. **HOLD HARMLESS & INDEMNIFICATION AGREEMENT:** The bidder assumes full responsibility for its negligent acts, errors, or omissions and agrees to hold harmless and indemnify the participating member districts from and against any and all claims, suits, damages, costs, losses and expenses resulting from such negligent acts, errors or omissions while conducting activities associated with this bid.
21. **ANTI TRUST CLAIM ASSIGNMENT CLAUSE:** The contractor or subcontractor offers and agrees to assign to the participating member districts all right, title and interest in all causes of action it may have under Section 4 of the Clayton Act, 15 U.S.C. Section 15, or under Chapter 624 of the General Statutes of Connecticut, arising out of the purchase of services, property or intangibles of any kind pursuant to a public purchase contract or subcontract. This assignment shall be made and become effective at the time that CASBO recommends such bid award to their participating member districts without further acknowledgement by the parties.
22. **NON-COLLUSIVE BID STATEMENT:** The bidder being full informed regarding the accuracy of the statements made herein, certifies that:
 - A. The bid has been arrived at by the bidder independently and has been submitted without collusion with, and without any agreement, understanding, or planned common course of action with, any other vendor of materials, supplies, equipment, or services described in the invitation to bid designed to limit independent bidding or competition.
 - B. The contents of the bid have not been communicated by the bidder or its employees or agents to any person not an employee or agent of the bidder or its surety on any bond furnished with the bid and will not be communicated to any such person prior to the official opening of the bid.

The bidder further certifies that this statement is executed for the purposes of inducing CASBO to consider the bid and make an award in accordance therewith.

23. **NON DISCRIMINATION CLAUSE:** Pursuant to Section 4a-60 and 4a-60a of the Connecticut General Statutes as amended by Public Act 07-142 and 07-245, the bidder agrees and warrants that he or his subcontractors will in the performance of the contract not discriminate or permit discrimination against any person or group of people on the grounds of race, color, religious creed, age, marital status, civil union, national origin, ancestry, sex, sexual orientation, mental retardation, including physical disability unless it is shown by the contractor that the physical disability prevents performance of the work. In addition, the contractor agrees to comply with all other provisions of the aforementioned statutes.

Prior to entering into a contract and the issuance of a purchase order, the bidder shall provide to the member districts documentation such as a company or corporate policy adopted by the governing body that supports the nondiscrimination agreement and warranty as stated above.

The Contractor further agrees that neither he nor his subcontractors will discharge, expel or otherwise discriminate against any person because he has opposed any unfair employment practice or because he has filed a complaint or testified or assisted in any proceeding under Section 31-127 of the Connecticut General Statutes. The advertisement of employment opportunities will be carried out in such a manner as not to restrict or discriminate against individuals because of their race, color, religious creed, age, sex, national origin or ancestry, except in the case of a bona fide occupational qualification or need.

24. **DEBARMENT:** CASBO reviews any bid being considered to assure that neither the contractor nor any subcontractor being utilized is subject to state or federal debarment based on published debarment lists. Persons or firms currently debarred under the Federal Davis Bacon Act that are included on the State Debarment List pursuant to Connecticut General Statutes, Section 31-53a, as amended, shall not be awarded a contract. No contract shall be awarded to any firm, corporation, partnership or association in which such persons or firms have an interest until the expiration date listed has passed.
25. **PERFORMANCE BOND:** To insure the faithful execution of the contract, according to its provisions, the bidder awarded the contract will be required to provide at his own expense, to the participating member districts, a Performance Bond for the full amount of the contract. The bond must be written by a company licensed to write business in the State of Connecticut and shall be furnished prior to the issuance of a Contract or a Purchase Order.

10. INSURANCE REQUIREMENTS

The General Terms and Conditions require the bidder awarded the contract to maintain in force during the performance of the work policies of workers compensation insurance, employers liability, bodily injury liability and property damage insurance covering the operation of the contractor and the use of all motor vehicles employed by the contractor. A certificate of insurance evidencing this fact that the contractor has secured the required insurance shall be filed with the participating member districts at the time of the execution of the contract. It is further required that the participating member district be named as an additional insured. This should be shown under the description of operations portion of the certificate of insurance. All certificates should also indicate a notice of cancellation complying with state statute.

Minimum Requirement for Certificate of Insurance

- A. Commercial General Liability
 - General Aggregate: \$2,000,000.00
 - Product/Completed Operations Aggregate: \$1,000,000.00
 - Occurrence Aggregate: \$1,000,000.00

- B. Automobile Liability
 - Liability Limit: \$1,000,000.00

- C. Excess (Umbrella Liability) Liability
 - The requirement that an umbrella policy be provided will depend on a case-by-case evaluation. Your exposure to catastrophic loss arising from the work or service being performed will determine the limit required.

- D. Workers Compensation & Employers Liability
 - Per Connecticut Statutes

ATTACHMENT A
TECHNICAL QUESTIONNAIRE

A company's submitted proposal, including this questionnaire, must be submitted in written/typed form.

Minimum Qualification:

An Offeror must meet or exceed the following minimum qualification in order for CASBO to accept a proposal as responsive. Each Offeror must provide a written explanation as to how it meets the minimum qualification. This explanation should also be included in the Executive Summary with the proposal. If an Offeror fails to respond, its proposal may be deemed non-responsive and disqualified from further consideration. If CASBO determines from the response that an Offeror does not meet the minimum qualification, the proposal may be considered non-responsive and disqualified from further consideration:

As of July 1, 2007, the Offeror must have marketed third party administration services for a minimum of three (3) years. Additionally, the Offeror must have administered plans that consist of at least 200 participants that have active salary reduction agreements in effect. Offeror must provide the name of the clients and contacts with the listed clients that are able to verify this information. Offerors should also list any current public bodies that are clients, along with their associated contacts.

Section 1 – Organizational History, Structure and References

1. Provide a brief overview of your organization and a general description of your 403(b)/457(b) Third Party Administration services.
 - a) What types of services does your organization provide?
 - b) For how many years has your organization provided these services?
 - c) By what other names has your organization been known, if any?
 - d) Is your firm bonded? Your employees?
 - e) Describe your errors and omissions coverage, including the risks covered, carriers, deductibles, levels and limits.
 - f) 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, describe fully.
 - g) Does your firm offer the purchase of products, i.e. mutual funds, etc? If so, what products are offered?
 - h) How many employees do you have directly administering TPA services for 403(b)/457(b) programs?
 - i) Provide a copy of your last audited financial statements. If this is not available, please provide additional proof of credit worthiness.
2. Discuss and disclose any limitations that may apply to any of the services requested in the RFP.
3. Describe your firm's commitment to the 403(b)/457(b) market place, specifically as it relates to third party administration. Describe any future direction for 403(b)/457(b) services, i.e. new systems, capabilities, etc. and projected availability dates.
4. Provide resumes for the account representatives (up to six) who will be assigned to serve the CASBO accounts and their supervisor. For each individual, provide the following:
 - a) Name
 - b) Education
 - c) Relevant professional certifications
 - d) Years of experience in 403(b)/457(b) third party administration
 - e) Years of experience with your firm
5. Describe what your firm does to keep staff current with changes, innovations, legislation, and technology in employee benefits. Include internal company resources such as databases, meetings, conferences and other external training sources.
6. How many protests or challenges has your firm initiated or participated in during a procurement process? Describe the circumstances surrounding the protest or challenge and describe the resolution.

4. What controls exist to maintain system security with respect to:
 - a) Access
 - b) Input
 - c) Processing
 - d) Audit Trails
5. Describe how you monitor the IRS limits on contributions to 403(b) plans, including catch-up provisions. How do you correct excess deferrals?
6. What procedures/systems are in place to ensure compliance with the IRS loan and hardship withdrawal rules? Describe how loan limits are monitored. Can participants model loans?
7. Describe any compliance problems you have experienced with 403(b) plans. How were the problems resolved?
8. Do you provide you own recordkeeping services or contract them out? If you contract, describe the relationship and the vendor, and the length of time the relationship has existed.
9. Do you have back-up and disaster recovery procedures? Describe them.
 - a. Have they been tested? What were the results of the test(s)?
 - b. Has the system failed in the past three (3) years? How many instances and for how long was the system out of service?
10. Provide a sample of the statements you prepare for districts and or individual participants.
11. Will you provide a quarterly report to participating districts identifying contributions for the quarter by type of investment: fixed annuity, variable annuity, and mutual funds?
12. Describe your standards for performance in participant service. Assume all data, wires or other requests are received in reasonably good condition and before your cutoff time for the day.

| <u>Activity</u> | <u>Quality Standard (Business Days)</u> | <u>Average Actual (business days)</u> |
|--|---|---|
| Contribution reconciliation and posting | Days from receipt of payroll data | Days from receipt of payroll data |
| Contribution investment | Days from receipt of deposit | Days from receipt of deposit |
| Withdrawals paid (paperless) | Days from receipt of request | Days from receipt of request |
| Withdrawals paid (forms) | Days from receipt of form | Days from receipt of form |
| Distribution paid (paperless) | Days from receipt of request | Days from receipt of request |
| Distribution paid (forms) | Days from receipt of form | Days from receipt of form |
| Investment fund transfers settled | Days from receipt of request | Days from receipt of request |
| Rollovers into the plan processed and invested | Days from receipt of deposit | Days from receipt of deposit |
| Confirmations mailed | Days from execution of transaction or request | Days from execution of transaction or request |
| Participant statements mailed | Days from period end | Days from period end |

13. Describe any fees associated with processing withdrawals, distribution, rollovers, and transfers.

Section IV – On-line, Voice Response and Service Center Capabilities

1. Do you have an Internet web page? If so:
 - a) What is available through the web page? What transactions may be performed online? At any hour?
 - b) Is it fully integrated with your recordkeeping system?
 - c) Can a participant move from the website to a live representative? How?
 - d) How often has the website been unavailable in the past six months? Past year?
2. Does your organization provide a voice response system via a toll-free telephone number? If so:
 - a) What inquiry functions are provided in your voice response system and what transactions may be performed?

- b) Is it fully integrated with your recordkeeping system?
3. Describe the live operator capabilities you provide.
- a) What transactions may be performed?
 - b) What are the standard hours of operation for these service center(s)?
 - c) How quickly are calls answered? What is the call abandonment rate? Please provide statistics for the past year. Describe the service center staff that will service the CASBO participants. How many representatives are available to respond to calls?
 - d) What is the turnover among the representatives?
 - e) Are all the representatives qualified to discuss investments? What advice, if any, is offered? Describe the licensing that representatives have.
4. Do you record participant calls? How long do you maintain the information?
5. How are personal identification numbers established, safeguarded and changed?
6. How quickly are faxed or mailed inquiries responded to?
7. Are confirmations sent for all transactions? What is the standard (measured in business days) for mailing confirmations?
8. Are there existing reports and letters produced by the website, voice response system or service center? If so, enclose representative samples from each system.
9. Describe any electronic education tools, both software-based and web-based.

Business Proposal Requirements – Attachment B

The Offeror must submit a cost proposal in a sealed envelope labeled Attachment B, fully supported by cost and pricing data adequate to establish the reasonableness of the proposed fee. Indicate in your response to this business proposal, which party (plan sponsor, approved vendor, or plan participant) is responsible for payment of each service. Attached is a price sheet (Excel Worksheet- Attachment B). Indicate pricing for each item listed on the attached price sheet. Include all costs associated with your services, even if not specifically requested on the price sheet. Costs not included as a part of your firm's proposal will not be honored. Additionally, the following information should be submitted as part of the business proposal:

The cost of each task or segment listed on the attached price sheet must be itemized.

1. Offerors must provide a price breakdown for each service separately as well as totals for services provided together, if prices differ. All prices shall be provided in the price breakdown, even if not directly billed to the school division, i.e. billed to the employee or vendor.
2. Offerors shall provide pricing for all costs associated with their services, even if not specified on Attachment B – Excel Spreadsheet, i.e. travel, subsistence, clerical support, etc.

Caution: Failure to break down cost elements may render the Business Proposal non-responsive.

This cost proposal should be based on the number of active employees in each participating member districts in the 403(b)/457(b) programs subject to volume discounts and will be modified either up or down at actual time of installation, based on an accurate census count. The quoted fees must be honored for a period of one hundred eighty (180) days from April 2, 2008.

Pricing:

The subsequent contract will be a firm-fixed price agreement. The fee(s) will remain firm and will include all charges that may be incurred in fulfilling the requirements of the initial contract. Changes in cost for any subsequent yearly contract renewals may be considered but shall not exceed the Consumer Price Index (CPI-U), Table 10, selected local areas, Northeast.

Identify fees associated with:

1. Loans
2. Processing withdrawals, distributions, rollovers and transfers

If the contract should terminate prior to the end of the initial contract term for any reason, please verify that you would not seek to recoup any implementation or other costs from CASBO or participating member districts.

*** Please use this Attachment as the Cover Sheet for your Proposal.**

**Certification of Proposal
Attachment C**

Third Party Administration 403(b)/457(b)
For
Connecticut Association of School Business Officials

The undersigned respondent, in compliance with this request for proposals for 403(b)/457(b) Third Party Administration services for CASBO, having examined the specifications and related documents, hereby proposes to furnish all services in accordance with the specifications.

The respondent certifies that he has not combined, conspired, or agreed to intentionally rig, alter, or otherwise manipulate or to cause to be rigged, altered, or otherwise manipulated this proposal for the purpose of allocating purchases or sales to or among persons, raising or otherwise fixing the prices of the goods or services or excluding other persons from dealing with the school division.

Use of Contract by Other Public Bodies:

The 168 member districts of CASBO may cooperatively utilize any resulting recommendation.

| | |
|---|---------------|
| Submittal Items: | Included: (x) |
| 1. Cover Letter & Technical Proposal, including responses to Technical Questionnaire (Attachment A) | _____ |
| 2. Business Proposal (Attachment B, including Excel Worksheet) | _____ |
| 3. Certification of Proposal (Attachment C) | _____ |
| 4. Signed Copies of Addenda, if any | _____ |

All terms and conditions included in this solicitation, along with materials submitted in response to this solicitation shall be incorporated by reference into any resultant contract(s), unless stated otherwise.

Name and Address of Firm:

Date: _____

By (Name of person authorized to bind the firm)

Signature in Ink

Print/Type

Telephone: _____

Fax: _____

E-mail Address: _____

Title: _____

Attachment B

Price Sheet of Business Proposal for the Connecticut Association of School Business Officials

All fees associated with this price sheet should be depicted on this price sheet or separate attachment, even if they are not specifically requested or listed. If you offer volume discounts based on number of employees, copy attachment B for each price point and label B-1, B-2, etc.

| | | Fee | Frequency of Payment (one time, monthly, etc) | Responsibility of Payment? (employer, Employee, Vendor) |
|--|--|-----|--|--|
| Plan Set Up and Documentation | | | | |
| 1 | Plan design | | | |
| 2 | Plan documentation | | | |
| 3 | Plan set-up <i>(separate one time fees and any recurring annual fees)</i> | | | |
| 4 | Vendor relations and communications | | | |
| 5 | Employer administrative manual | | | |
| 6 | Custom forms, i.e., service provider agreements, salary reduction agreements | | | |
| 7 | Secure web based service | | | |
| 8 | Other | | | |
| 9 | Update and Maintain Plan Documents to comply with changes to laws | | | |
| Payroll Contribution Administration/Common Remittance | | | | |
| 1 | Payroll contribution administration | | | |
| | 1a Monthly payroll contribution processing | | | |
| | 1b Bi-weekly, bi-monthly payroll contribution processing | | | |
| | 1c Weekly payroll contribution processing | | | |
| 2 | Integrated financial controls and security | | | |
| 3 | Contribution monitoring | | | |
| 403(b)/457 Plan Compliance Services | | | | |
| 1 | Payroll monitoring and record-keeping | | | |
| | 1a Two-way automated vendor data sharing relationship | | | |
| | 1b Bi-weekly, bi-monthly payroll contribution processing | | | |
| | 1c Weekly payroll contribution processing | | | |
| 2 | Compliant communications materials | | | |
| | 2a Fee if member district assumes responsibility for distribution | | | |
| | 2b Fee if TPA district assumes responsibility for distribution | | | |
| 3 | Transaction fees | | | |
| | 3a On-going, new participant set-up | | | |
| | 3b Loan repayment by payroll deduction | | | |
| | 3c Contribution disbursement fees | | | |
| | 3d Additional transaction fees not listed above | | | |
| 4 | Reporting | | | |
| 5 | Employer support | | | |
| | 5a Plan amendments and restatements | | | |
| | 5b Consulting/plan design/audit support | | | |
| | 5c Legal services | | | |
| | 5d Direct expenses | | | |
| | 5e Administrative services (please itemize below) | | | |
| | | | | |
| | | | | |
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