

TO: Deferred Compensation Advisory Committee
VEBA Advisory Committee

FROM: Human Recourses Staff

**SUBJECT: Plan Recordkeeping and Administration
Request for Proposal**

DATE: March 14, 2021

Project Overview and Goal:

To select a highly qualified administrator capable of providing quality and efficient investment, administration, and recordkeeping services for the City's defined contribution plans (Voluntary 457, PTC, Tier 3, and VEBA) that results in economic and efficient use of the deferred compensation and VEBA budgets and ideal investment performance for all plans.

Objectives:

- Identify a leader in providing administrative, recordkeeping, and investment services for governmental plans comparable in size (dollar volume and number of participants) to the City of San Jose's existing plans.
- Identify an administrator who has extensive experience communicating directly with plan participants, facilitating plan enrollments, and providing a basic approach to saving and investing for retirement.
- Identify an administrator who is experienced working with advisory committees.

RFP Committee:

Below outlines Staff's recommendation on the RFP evaluation committee membership and roles. The goal is to ensure the committee is comprised of representatives that are familiar with deferred compensation plan administration and investments and that they represent participants' interests.

Recommended Evaluation Committee members*:

- 2 members from Deferred Compensation Advisory Committee (DCAC)
- 1 member from the VEBA Advisory Committee (VAC)
- 2 HR staff members
- 1 Finance staff member with investment experience
- 1 City Manager representative (optional)

*Staff intends to confirm evaluation committee members by July 1, 2022.

Duties to include:

- Review and provide feedback on evaluation criteria for RFP
- Review and evaluate vendor submittals
- Participate in the selection process for a preferred vendor/administrator

Other involved parties:**HR Staff duties to include:**

- Provide support and oversight on the RFP process
- Prepare and post RFP in conjunction with Hyas Group
- Schedule RFP Evaluation Committee Meetings
- Coordinate evaluation Committee ratings
- Prepare final recommendation memo
- Coordinate final contract with chosen vendor and City Attorney's Office.

Plan and Investment Consultant. Vincent Galindo of Hyas Group duties to include:

- Provide guidance and support to staff in the preparation and posting of RFP
- Support and guide the evaluation committee members throughout the RFP Process
- Prepare a summary report to include an analysis of proposals and present to the evaluation committee.
- Participate in finalist interviews.

City Attorney's Office, Suzanne Hutchins, duties to include:

- Support staff in reviewing exceptions
- Prepare Contract(s)

Current Agreements:**Voya Financial (457, PTC, Tier 3)**

Initial Period	October 1, 2018 - September 30, 2019
Option 1	October 1, 2019 – September 30, 2020
Option 2	October 1, 2020 – September 30, 2021
Option 3	October 1, 2021 – September 30, 2022
Final Option 4	October 1, 2022 – September 30, 2023

TASC (VEBA)

Initial Period	November 1, 2017 - October 31, 2018
Option 1	November 1, 2018 - October 31, 2019
Option 2	November 1, 2019 - October 31, 2020
Option 3	November 1, 2020 - October 31, 2021
Option 4	November 1, 2021 - October 31, 2022
Final Option 5	November 1, 2022 - October 31, 2023*

*Written notice to term due 120 days prior, so plan to provide notice by May 30, 2023.

Tentative Timeline:

	Item	Who	Begin
1	Confirm Evaluation Committee	Staff	Monday, June 20, 2022
2	Draft RFP and Questionnaire	Hyas	Friday, July 15, 2022
3	Review of Insurance requirements by Risk Manager	Staff/Risk	Friday, July 15, 2022
4	Review/input from HR Leadership, City Attorney, and DCAC and VAC Chairs, and operational partners.	Staff	Monday, August 15, 2022
5	Create Rating Sheet	Staff	Monday, August 15, 2022
6	Obtain completed Evaluation Committee Required Forms (confidentiality form, etc.)	Staff	Before RFP Response Distribution
7	Post RFP	Hyas/Staff	Thursday, September 1, 2022
8	Vendor questions due back to City		Thursday, September 15, 2022
9	Post Addendum to RFP- answer bidder questions by vendors	Hyas/Staff	Thursday, September 22, 2022
10	Review of all bids (Responses Due)	Hyas	Monday, October 3, 2022
11	Create Bid Comparison Report	Hyas	Wednesday, November 2, 2022
12	Review of insurance submittal of selected finalist by Risk Manager if any exceptions are taken	Staff/Risk	Monday, October 3, 2022
13	Review of terms and conditions of selected finalists by CAO if any exceptions are taken	Staff/CAO	Monday, October 3, 2022
14	1st RFP Meeting	Staff/Hyas	Monday, November 7, 2022
15	Draft Interview questions	Staff/Hyas	Monday, November 14, 2022
16	2nd RFP Meeting	Staff/Hyas	Monday, November 14, 2022
17	Conduct Reference Checks	Staff	Monday, December 5, 2022
18	Send out Interview Questions	Staff	Monday, December 5, 2022
19	1st Interviews	Staff/Hyas	Monday, December 12, 2022
20	2nd Interviews and RFP Committee Final Voting	Staff/Hyas	Wednesday, December 14, 2022
21	Final RFP Evaluation Committee Meeting to Decide	Staff/Hyas	As needed

22	Prepare RFP Recommendation Memo for DCAC/VAC/CMO	Staff	Wednesday, February 1, 2023
23	Memos for review CAO, EH, JS, JC, CJ	Staff	Wednesday, February 15, 2023
24	Recommendation Memos finalized and posted	Staff	Thursday, March 9, 2023
25	DCAC/VAC Meetings	Staff	Monday, March 20, 2023
26	Draft Contracts (457, 401a, VEBA)	Staff	Monday, March 20, 2023
27	Review/approval of contracts by CAO	CAO	Friday, April 28, 2023
28	Final review of contracts by HR and Committee leadership	Staff	Monday, May 15, 2023
29	Review and approval of contracts by selected vendor/vendors	Staff	Monday, May 29, 2023
30	Provide vendors notice of termination as applicable	Staff	Tuesday, May 30, 2023
31	Final contract submitted to selected bidder for signature	Staff	Monday, June 12, 2023
32	Review/Approval at June VAC/DCAC Meetings	Staff	Tuesday, June 20, 2023
33	Contracts signed by CAO/CMO	Staff	Tuesday, June 20, 2023
34	Contracts signed by Clerk's office and posted on CHAD.	Staff	Friday, June 23, 2023
35	Implementation Planning and set up	Staff/Hyas/Vendor	Saturday, July 1, 2023

Staff will provide updates the DCAC and VAC committees at each regular meeting throughout the process.

For questions, please contact Amy Morton at amy.morton@sanjoseca.gov.

