



June 18, 2018

Brittany Ingraham  
State of West Virginia  
Department of Administration, Purchasing Division  
2019 Washington Street East  
Charleston, WV 25305-0130

**Re: Solicitation No: CRFP 0203 CPR1900000005 - TPA Services for TDC**

Dear Ms. Ingraham:

I am pleased to take this opportunity to provide the West Virginia Consolidated Public Relations Board with a description of ICMA-RC's 401 plan administration, education, and investment services.

Through our experience as an independent, non-profit corporation serving public sector employees for 47 years, ICMA-RC is qualified to provide the plan administration services the West Virginia Consolidated Public Relations Board requires. You can be assured that ICMA-RC will provide the Agency with a proven, dependable, value-added system for meeting the retirement planning needs of the participants served by the plan.

*With this letter, I am authorized to commit ICMA-RC to providing the services described in this proposal.*

All of us at ICMA-RC look forward to your review of our proposal. If you have any questions regarding our proposal or any aspect of our service, please feel free to contact Cary Scaglione, Vice President Institutional Sales, East Region, at 202-215-2481.

Sincerely,

Michael Guarasci  
Treasurer

Enclosures

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WV PURCHASING  
DIVISION

West Virginia Consolidated Public Retirement Board – TDC Plan

Request for Proposal

Solicitation Number: CRFP 0203 CPR1900000005



Submitted by ICMA-RC

Proposal Due: June 21, 2019

Contact: Cary Scaglione, Vice President Institutional Sales East Region  
Phone: 202-215-2481  
Email: [cscaglione@icmarc.org](mailto:cscaglione@icmarc.org)

Corporate Headquarters:  
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777 North Capitol Street, NE  
Washington, DC 20002-4240  
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## Creating a clear choice for the West Virginia Defined Contribution Plan

It will be an honor and a privilege to work with The West Virginia Consolidated Public Retirement Board in serving as your plan's Third Party administrator (TPA). We are excited about the opportunity to become your trusted sole provider for your Teacher's Defined Contribution Plan. ICMA-RC is excited to collaborate with you to enhance and improve the outcomes of your current TDC plan. We will help better engage your participants while they are building and realizing retirement security and utilizing the plan to fill in any retirement readiness gaps.

We know that we are a great fit for you and your employees; and we strongly believe that no firm has more commitment to, or will take better care of, your employees and retirees than ICMA-RC.

## Serving the Public Education Sector

We are an independent and non-profit corporation serving public sector deferred compensation and defined contribution plans. We were created by and for the public sector. As a non-profit corporation, our culture and values align with our clients'. We believe that every employee in higher education deserves to have the tangible benefits of financial security in retirement. We exist to help public sector employees build retirement security.

The West Virginia TDC is made up of people who have a passion to educate, share knowledge, and impart wisdom on future generations. ICMA-RC shares the same DNA: we are committed to educating and collaborating with your participants in order for them to reach their retirement goals.

From our unique perspective we know that full disclosure is crucial, and we consider it a cornerstone of how we conduct business. In an industry that can sometimes still be opaque, we fully disclose how we collect our fees, measure our outcomes, and interact with every employee. The trust our plan sponsors place in us is of the utmost importance.

Today, we serve more than 9,800 plans representing over 1.4 million participant accounts and \$54.8 billion in assets under management and administration.<sup>1</sup> We also have extensive experience servicing state plans like yours, such as state plans for Virginia, The District of Columbia and Missouri. Our fourteen year 98%+ client retention rate<sup>2</sup> is a testament to the integrity with which we serve our clients and the trust they have developed in our services. While the size of our firm has grown dramatically, our focused mission remains the same.

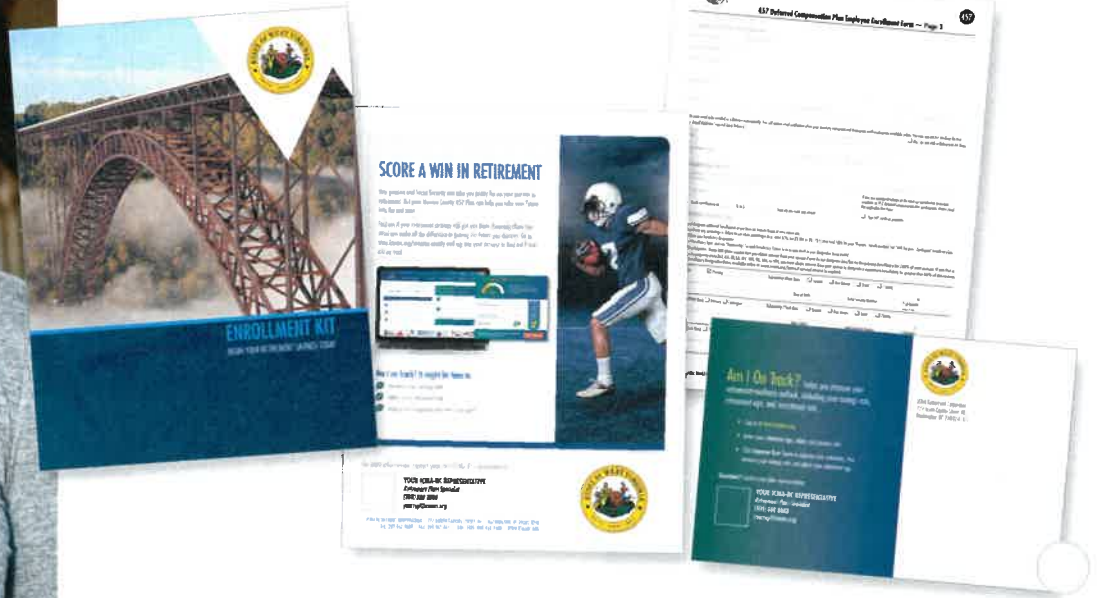
<sup>1</sup> As of March 31, 2019. Includes 457, 401, Retirement Health Savings (RHS) plans (including beneficiary accounts), Employer Investment Program (EIP) trusts, and affiliated Individual Retirement Accounts (IRAs) (including beneficiary accounts).

<sup>2</sup> As of December 31, 2018.



## White Labeling – A New Foundation for Success

We have significant experience administering customized white label solutions for some of our most unique clients. This can include customized white label plan branding which would incorporate a custom website including single sign on from your benefits site and mobile application, as well as custom investments, and, of course, truly customized education. Some of our clients enjoying our white labeling benefits include the Virginia Retirement System, the Government of the District of Columbia, and the Missouri State Employees Retirement System.



## Unique Education — ICMA-RC Integrates Behavioral Finance

Another benefit of our collaboration will be elevating participant education to a new level. ICMA-RC has harnessed the power of experiential marketing with our annual RealizeRetirement® Tour, which involves rolling out a mobile education platform to locations and clients throughout the country.

Currently, ICMA-RC's RealizeRetirement® Time Machine is visiting client communities nationwide to promote and encourage retirement savings to public sector employees through an immersive mobile escape room experience. Local ICMA-RC representatives are on-site at each location to help employees enroll into their employer-sponsored retirement plans, answer questions, and discuss educational resources. This experience delivers a team building opportunity while actively encouraging employees to embrace the value of preparing for retirement. For additional information about ICMA-RC's RealizeRetirement® Time Machine, please visit [www.realizeretirementtimemachine.org](http://www.realizeretirementtimemachine.org).

**REALIZE RETIREMENT®**  
**TIME MACHINE**



## Innovative Product and Pricing Solutions

### Expanding the Agency's Engagement Team

The following group of ICMA-RC professionals will work directly with you and your participants. They will be responsive to your needs and fully accountable to you by implementing measurable strategies to improve your plan:

- ▶ **Rod Alcázar**, Director, National Relationship Management Team, who will serve as your Relationship Manager and lead the delivery of all service for your plan.
- ▶ **Mark Lasyone**, Regional Manager, will lead the delivery of on-site educational services provided by ICMA-RC's Retirement Plans Specialists and CERTIFIED FINANCIAL PLANNER™ professional.

**A Communication and Education Manager** will work with the Plan's board members and staff to develop custom communication materials and branding for your plan, which include a custom website, mobile application and printed materials that will help the Agency's retirement plans be easily recognized and increase engagement for all employees.

- ▶ We will be hiring an exclusively dedicated **Retirement Plans Specialist** to meet with your employees/participants.
- ▶ In addition, we will be providing financial planning days by a salaried **CERTIFIED FINANCIAL PLANNER™** professional, Nancy Lange. During her onsite days, she will meet with and present to employees and participants, educating them on the need to have a comprehensive understanding of their unique financial planning situations.

Incorporated within this response you will find several solutions to address both retirement fund accumulation and guaranteed income solutions specifically developed to satisfy requirements for the West Virginia TDC. The VT Retirement IncomeAdvantage Fund<sup>3</sup> is a potential solution to provide retirement income to TDC participants utilizing the Great West Secure Foundation Fund. The Fund combines the security of guaranteed lifetime income, with flexibility, control and upside potential. The guarantee is for life, no matter how long the participant or possibly their spouse lives. The assets are protected against market downturns and could increase due to positive fund performance. This is coupled with the flexibility and control to have complete access to the market value of their investments in the IncomeAdvantage Fund at any time for any purpose.

Together, we will develop a process of those that are in the fund, to understand and communicate this conversion to those participants that are in this investment so that it is a smooth process.

We have the ability to recordkeep the VALIC Fixed Annuity Option on our system. We have vast experience working with VALIC and your incumbent and can ensure a comprehensive transition and data transfer and reporting process for this investment option.

Our Income for Life Program will provide participants at least three options from which to purchase for participants. We will also provide a procedure for participants to follow when selecting this option.

As requested, we are proposing an institutional investment line-up and a pricing model to eliminate the need for mutual fund revenue to achieve the agency revenue. Rather, we will be proposing an approach where all fees are taken directly from plan assets, whether in a per participant or basis point revenue requirement format.

<sup>3</sup> Prudential Retirement Insurance and Annuity Company (Prudential), CA COA #08003, Hartford, CT. Neither Prudential nor ICMA-RC guarantees the investment performance or return on contributions to Prudential's Separate Account. You should carefully consider the objectives, risks, charges, expenses and underlying guarantee features before purchasing this product. Prudential may increase the Guarantee Fee in the future, from 1.00% up to a maximum of 1.50%. Like all variable investments, this Fund may lose value. Availability and terms may vary by jurisdiction; subject to regulatory approvals. Annuity contracts contain exclusions, limitations, reductions of benefits and terms for keeping them in force. Guarantees are based on Prudential's claims-paying ability. This annuity is issued under Contract form # GA-2020-TGWB4-0805-RC. ICMA-RC provides recordkeeping services to your Plan and is the investment manager of the underlying Prudential separate account. Prudential or its affiliates may compensate ICMA-RC for providing these and related administrative services in connection with the Fund. Variable annuities are suitable for long-term investing, particularly retirement savings. ©2018 Prudential, the Prudential logo, and the Rock symbol and Bring Your Challenges are service marks of the Prudential Insurance Company of America, Newark, NJ, and its related entities, registered in many jurisdictions worldwide. Note: Participants who are interested in the VT Retirement IncomeAdvantage Fund must first receive and read the VT Retirement IncomeAdvantage Fund Important Considerations document, before investing.



## Retirement Income Solutions

Incorporated within this response you will find several solutions to address both retirement fund accumulation and guaranteed income solutions, exemplified by the two products below:

### Income for Life Program

ICMA-RC's Income for Life program<sup>4</sup> offers a convenient and objective method to purchase immediate annuities, with competitive, institutional pricing, from selected insurance companies with which ICMA-RC partners. Based on information provided by the participant or beneficiary, a Participant Services Representative generates an individual annuity quote/benefit illustration. This information, along with an annuity enrollment kit, is mailed to the participant or beneficiary. The Participant Services Representative is available to discuss the illustrations or answer any questions. Upon participant/beneficiary return of employer-approved enrollment forms, funds are wired to the annuity provider and a confirmation of the annuity purchase is mailed to the participant or beneficiary. The annuity provider then sends a welcome letter, customer service information, and an annuity certificate to the participant or beneficiary.

The annuity provider then begins making annuity payments to the participant at the agreed upon frequency.

### VT Retirement IncomeAdvantage Fund

The VT Retirement IncomeAdvantage Fund is a potential solution to provide retirement income to Agency retirees. The Fund combines the security of guaranteed lifetime income, with flexibility, control and upside potential. The guarantee is for life, no matter how long the participant, and if selected, their spouse lives. The income provided is protected against market downturns and could increase due to positive fund performance. This is coupled with the flexibility and control to have access to the market value of their investments in the IncomeAdvantage Fund at any time for any purpose.

Key features of the Fund include:

- ▶ **Guaranteed Lifetime Income with Upside Potential.** The ability to receive guaranteed lifetime withdrawals from the Fund that can never decrease as a result of market downturns, but can increase if the stock and bond markets perform well.
- ▶ **Flexibility and Control.** Full access to the market value of the Fund at any time with no restrictions or withdrawal penalties.
- ▶ **Straightforward Fee Structure.** Fees that are clearly communicated and typically lower than most participants could obtain on their own outside of an employer-sponsored plan. The guarantee fee is capped and can never exceed a stated maximum. Additionally, the guaranteed fee is applied in a way we believe is advantageous when compared to competitor products.

Conversion of guaranteed income products can be more complicated than just the mapping of a fund. We can discuss various options for making the transition of any existing guaranteed income fund as smooth as possible.

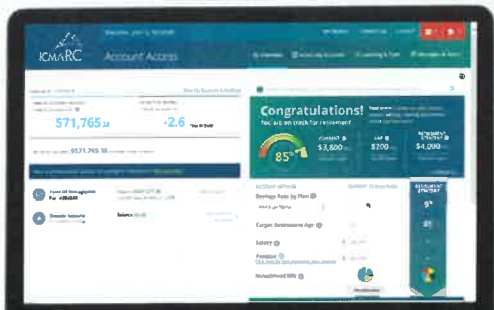
<sup>4</sup> Annuities are insurance products available through companies not affiliated with ICMA-RC. Please consult "Income for Life Annuity Program: Immediate Annuities for Retirement Income," prior to purchasing an annuity. 1-800-669-7400.



## Helping West Virginia TDC Employees Realize Retirement®

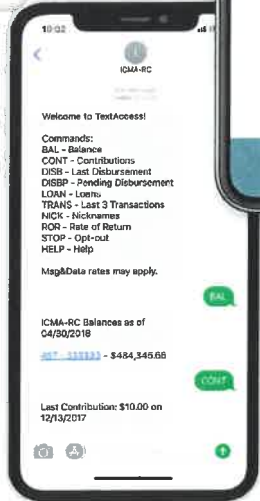
ICMA-RC's mission is to help your employees build retirement security. We deliver on our mission via RealizeRetirement®, actively engaging employees in their retirement programs by helping them build their asset base toward a stated goal. We help them realize their retirement goals through a comprehensive retirement planning approach aimed at maximizing their retirement income generation. To achieve this goal, we continue to invest in technology and people, creating new enhancements and tools that are sure to help TDC participants realize retirement security. These resources include:

- ▶ **"Am I On Track?"** – An online tool that helps participant's see how likely they are to reach their retirement income goal. This tool includes a retirement readiness score and suggests changes the individual can make to improve their score, future retirement income, and targeted outcomes.
- ▶ **Systems Security** – We are committed to providing a secure and confidential environment for participant data, transaction, and account history, and ICMA-RC has made a substantial investment of personnel and financial resources in this area over recent years. Furthermore, we utilize a unique reporting structure with the Chief Information and Security Officer reporting directly to our Board of Directors, as well as sitting on our executive leadership team.
- ▶ **ICMA-RC Mobile App** – Available on iOS and Android™ devices, the new Agency mobile app will be customized to the Agency's educational needs and contacts, and feature enrollment and transactional capabilities.
- ▶ **TextAccess** – Allows participants to view their account balance and other account information, including loan information, via text messages. We can customize this experience for your participants to include custom educational messaging.
- ▶ **Pension Calculator** – Contains the pension's rules so that participants can obtain an estimated amount for their monthly or annual pension.
- ▶ **Visual Analytics** – This dynamic data visualization tool enables us to identify, measure, and detect patterns and relationships in plan data that may not have otherwise been readily apparent.
- ▶ **Superior Customer Service** – We continue to grow and have added a secondary executive site and customer contact center in Richmond, Virginia.
- ▶ **Guided Pathways® Advisory Services** – This suite of services provides the appropriate level of assistance to your employees based on how involved they want to be in their retirement investing decisions.

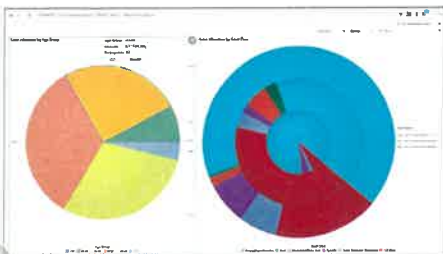


"Am I On Track?"

ICMA-RC Mobile App



TextAccess



Visual Analytics







## Ensuring a Smooth Transition of the Agency's Retirement Plans with Extensive Experience

We understand the decision to transition your plan is an important consideration. We will leverage our experience transitioning plans from Empower in order to minimize the impact on your staff. With ICMA-RC's experience, our proven model for successful transitions occurs over a four phase plan.

- 1 **Planning.** To make sure we address your needs.
- 2 **Informing.** Custom communications, print and online are drafted and shared for approval.
- 3 **Learning & Testing.** Onsite participant education meetings and file testing.
- 4 **Transferring.** Blackout period and asset transfer to ICMA-RC.

The Agency's transition project manager who will lead the implementation is Michael Diacont, Manager, Fund Lineup & Conversion Services.

We strongly believe that no firm has more commitment to, or will take better care of your employees and retirees, than ICMA-RC. We are dedicated to serving those who serve – such as those who serve as educators within the West Virginia TDC. This focus will translate into ICMA-RC providing streamlined “white-labeled” plan administration, proactive education, and consistent, professional and coordinated outreach.

The use of our technology and people will help you provide better outcomes for your participants to be comfortable in retirement. We are an organization that understands and values your need for customization and flexibility. Our dedication to innovation will allow the Agency to be the brand with which employees associate their retirement security.

We view our collaboration with the Agency as an effort to maximize all resources for your employees, because like you, we are focused on outcome.

We are excited about the opportunity to create a business relationship and look forward to your review of our proposal. If you have any questions about the content of our response, please contact **Cary Scaglione, Vice President, Institutional Sales**, at 202-215-2481 or at [cscaglione@icmarc.org](mailto:cscaglione@icmarc.org).





## REQUEST FOR PROPOSAL

### (CONSOLIDATED PUBLIC RETIREMENT BOARD - CRFP CPR1900000005)

**4.2 Project Goals and Mandatory Requirements: Third-party administration services, including custodian services, for the TDC Plan provided by a vendor with proven experience providing such services to governmental defined contribution retirement system of similar or larger than the TDC plan. Vendor should describe its approach and methodology to providing the service or solving the problem described to meet or exceed the goals/objectives identified below. Vendor's response should include any information about how the proposed approach is superior or inferior to other possible approaches.**

**4.2.1. Goals and Objectives - The project goals and objectives are listed below.**

**4.2.1.1 Administrative Services and Recordkeeping with appropriate staffing**

**4.2.1.1.1 TPA should provide a sufficient number of properly licensed, trained and qualified representatives to provide the TPA Services.**

- **Describe your company's proposed staffing plan for providing the TPA Services. Include the number of employees that will be assigned, their duties and a brief resume (including licenses) for each. Be sure to include individuals in your organization who would be primarily responsible for specific aspects of this engagement, including administrative services and recordkeeping; customer service, communication and education; investments; transition services; and reporting and compliance. For each, state how many other account/clients he or she would be assigned and backup.**

Nothing is more important to the quality of service delivered to plan sponsors and participants than the people who provide that service. ICMA-RC provides an experienced, knowledgeable team dedicated to delivering Platinum Service – our commitment to exceptional education, investment and plan administration solutions with the highest quality service.

A Relationship Manager, **Rod Alcazar, Director, National Relationship Management Team**, will lead the delivery of all service for your plan. Currently, he acts in this capacity for four clients. Mr. Alcazar has total direct accountability for your satisfaction. He will:

- Serve as your primary point of contact.
- Assist in developing plan sponsor goals and objectives.
- Provide a Plan Service Report.
- Orchestrate delivery of all services in support of your goals.
- Conduct regular progress reports that measure performance vs. goals.
- Address new services and industry developments.
- Educate the plan committee on plan topics of interest.

He will work in with the teams that provide on-site educational services and recordkeeping/administration services. Our local service team will provide consistent, reliable, high-quality service for you as follows:

**Mark Lasyone, Regional Manager**, will lead the delivery of on-site educational services provided by ICMA-RC's Retirement Plans Specialist and CERTIFIED FINANCIAL PLANNER™



professional. Mr. Lasyone currently works with nine clients in this capacity. Together, your local ICMA-RC staff will:

- Establish annual education goals in conjunction with your staff.
- Provide individual educational meetings on investment and retirement planning topics.
- Highlight the importance of tax-deferred investing.
- Conduct enrollment, investment education, and retirement planning seminars.
- Be available to provide education to retirees in the selection of disbursement options for their specific needs.

Educational services will be provided by a fully dedicated **Retirement Plans Specialist** who will be recruited upon our selection as your plan provider. The Retirement Plans Specialist will:

- Discuss education goals in conjunction with your staff.
- Conduct group enrollment, investment education, and retirement planning seminars.
- Provide individual participant retirement meetings.
- Be available to assist retirees in the selection of disbursement options for their specific needs.

**Nancy Lange, CERTIFIED FINANCIAL PLANNER™** professional, will educate employees on the need to have a comprehensive understanding of their unique financial planning situations. As a non-commissioned employee, Nancy Lange will:

- Deliver comprehensive seminars and workshops that address key participant concerns including saving for, transitioning into, and managing retirement goals, as well as additional topics such as college, estate, insurance, and tax planning essentials.
- Provide TDC employees access to individual financial planning meetings.

Ms. Lange currently provides these services to 7 large clients, each with over \$100 million in assets.

**Janna Dandridge, National Relationship Manager**, based in ICMA-RC's headquarters, will serve as the day-to-day plan administrative contact. Ms. Dandridge and her team support the TDC by ensuring that enrollments, contributions, and disbursements are processed in a timely manner. Ms. Dandridge also will:

- Orchestrate delivery of all administration/recordkeeping services in support of your goals.
- Resolve service inquiries and provide technical assistance.
- Provide support for as many TDC plan administrative functions as deemed appropriate.

**Lisette Cobarrubias, Conversion Services Project Manager**, will manage all operational aspects of the conversion. Specialists on this individual's team will be assigned to the implementation.

To ensure you receive continuous, high-quality service, each team member is backed by a colleague with similar responsibilities and expertise.

In addition, the local service team is backed by over 60 Participant Services Representatives (an additional 75 reserves are available, as needed) in ICMA-RC's Contact Center, each of whom is dedicated to responding to participants' inquiries.



## Service Team Biographies

### ***Rod Alcázar – Director, National Relationship Management Team***

Mr. Alcázar joined ICMA-RC in 1996 and is a member of ICMA-RC's National Relationship Management Team. He is based in our headquarters in Washington, D.C. In his current role as Director, he leads a team of Relationship Managers who act as liaisons between state level clients, large recordkeeping only clients, jumbo city/county clients and ICMA-RC. In this capacity, Mr. Alcázar and his team manage ongoing client relationships by interacting with all corporate divisions, including Marketing, Operations, Legal, and Communications. They also work closely with the Information Technology and Operations divisions in the development of client requests for new business process requirements and solutions.

Prior to this, Mr. Alcázar was Director, Client Services, where he led regional teams of Client Services Managers who acted as liaisons between large public employer plans and ICMA-RC. Mr. Alcázar also managed the Participant Services Technical Team where he was responsible for the Voice over Internet Protocol (VoIP) corporate initiative and the technical operations of Participant Services. He began his career at ICMA-RC in the Participant Services area, where his primary role was to respond to inquiries regarding 401(a) and 457 retirement plans.

Mr. Alcázar has been in the financial services industry since 1993. He obtained valuable client services experience while employed as a Corporate Services Consultant at Ruesch International. In this role, he analyzed and developed strategies to retain or regain client accounts and managed client relationships on an ongoing basis.

Mr. Alcázar has a Bachelor of Science degree in Finance and a Masters of Arts degree in International Commerce and Policy from George Mason University, as well as a certificate in global trade from Oxford University. He is a Registered Representative and a Virginia resident and holds insurance licenses.

### ***Janna Dandridge – National Relationship Manager***

Janna Dandridge joined ICMA-RC in August 2007. In her current role as National Relationship Manager, Ms. Dandridge acts as the primary contact between plan sponsors and ICMA-RC. In this capacity, she works to maintain and strengthen the relationship with plan sponsors, such as the State of Missouri and Bay Area Rapid Transit (BART), by focusing on customer satisfaction to ensure the delivery of quality services to them.

Ms. Dandridge has over 10 years of experience in the financial services industry. Before joining ICMA-RC, she was employed as a Retirement Plan Representative for three years with T. Rowe Price, where she assisted retirement plan participants with enrollments, fund guidance, and the specific administrative functions of the plan. She also served as a Correspondence Specialist at T. Rowe Price, where she responded to the needs of internal and external clients through written communication.

Ms. Dandridge earned a bachelor's degree in Communications from Old Dominion University. She is a Registered Representative.

### ***Mark Lasyone – Regional Manager (Northeast Territory)***

Mr. Lasyone has been employed with ICMA-RC for over 14 years and is currently the Regional Manager for the Northeast Territory. He is responsible for supervising business development and manages the day-to-day activities in the territory, including on-site client service. Prior to this, he served as a Retirement Plans Specialist with responsibility for



providing on-site services including working with plan sponsors to establish education goals and meeting with participants to provide personal education on investment and retirement planning.

Before joining ICMA-RC in 2001, Mr. Lasyone was employed as an agent with New York Life Insurance Company, where he assisted clients in planning for their financial futures with insurance and investment products. Mr. Lasyone also has experience as a public sector employee with the City of Norfolk, VA, in the Department of Neighborhood and Leisure Services. As an ICMA-RC deferred compensation plan participant for 10 years while an employee there, he has the unique perspective of understanding the 457 plan from a participant's point of view.

Mr. Lasyone received a bachelor's degree in biology from Hampden-Sydney College. In 1999, he received a Professional Financial Planner certification by completing course work sanctioned by the College of Financial Planning at Old Dominion University. He is a Registered Representative.

#### ***Nancy Lange – Certified Financial Planner™***

Nancy Lange is responsible for on-site financial planning services to public employer retirement plans, including financial planning seminars, investment education, and individual financial planning meetings in West Virginia, Michigan, and Ohio. She provides personalized assistance in the development of individual's retirement and financial planning goals through the creation and delivery of financial plans.

Prior to joining ICMA-RC in September 2010, Ms. Lange spent eight years working in her own tax and financial planning firm. Nancy also spent seven years in the public accounting field, specializing in tax and financial services. More recently, Ms. Lange has taught several personal financial planning courses at Cleary University, located in Howell, MI.

Nancy is a licensed Certified Public Accountant in the State of Michigan and a CERTIFIED FINANCIAL PLANNER™ Professional, is a Registered Representative, and has Michigan and Ohio insurance licenses.

Ms. Lange is a member of the Financial Planning Association and the Michigan Association of CPAs. She is past Chairperson of the MACPA's financial planning task force.

#### ***Lisette Cobarrubias – Conversion Services Project Manager***

In her current role as Conversion Services Project Manager, Ms. Cobarrubias is responsible for overseeing the conversion project, working with industry peers to coordinate conversions, facilitating payroll testing, maintaining a project plan and timeline, developing content for participant communications and testing internal applications as necessary prior to conversion.

Prior to this, as Client Services Relationship Manager, she served as the primary contact and liaison between plan sponsors and ICMA-RC. In that position, Ms. Cobarrubias was responsible for building and maintaining positive and responsive relationships with plan sponsors. She coordinated customer projects and researched customer concerns to ensure the delivery of quality services to plan sponsors.

Ms. Cobarrubias has over 15 years of experience in the financial and investment services industry. Prior to joining ICMA-RC in 2006, Ms. Cobarrubias was Retirement Plan Coordinator at T. Rowe Price, where she served as the primary contact and liaison between plan sponsors and the internal group at T. Rowe Price.



Ms. Cobarrubias earned a bachelor's degree in International Business with a minor in Spanish from Towson University in Towson, MD.

- **Name the person who will have overall, hands on, account management responsibilities for the TDC Plan. Provide a resume for this individual including his or her qualifications, licensing, experience, and number of years with your company and primary work location. Include his or her address, contact information and current assignments, and state if his or her assignments would change if you are named the TPA.**

**Rod Alcazar, Director, National Relationship Management Team**, will have overall account management responsibility for Plan. His requested biographical information is provided above. Below is Mr. Alcazar's professional information.

|   |   |
|---|---|
| <b>Representative:</b>  | Rod Alcazar, Director, National Relationship Management Team  |
| <b>Years at firm:</b>   | 23  |
| <b>Years in industry</b>  | 26  |
| <b>Primary Work Location:</b>                                     | Washington, DC  |
| <b>Address:</b>   | 777 North Capitol St, NE, Washington, DC 20002                |
| <b>Telephone:</b>   | 202-262-1813  |
| <b>Email:</b>   | ralcazar@icmarc.org   |
| <b>Total number of accounts serviced:</b>                         | 4   |
| <b>FINRA/insurance license(s):</b>                                | Registered Representative<br>Life Insurance license, Virginia |
| <b>Would assignments change if ICMA-RC is selected as the TPA</b> | No  |

- **Describe the size of an average defined contribution service team and team members' functions.**

Based on our experience and knowledge of managing accounts of similar size to the TDC, we believe that the staffing model which we are proposing to use with the Agency is best suited for your particular situation and geared for optimum support and functionality. ICMA-RC clients such as the Agency typically receive a similar support model, with a relationship manager serving as the single point of contact, a Regional Manager providing oversight to the onsite services provided by a Retirement Plans Specialist and CERTIFIED FINANCIAL PLANNER™ professional, and a day-to-day contact that organizes the delivery of administrative and recordkeeping services.

- **What has been your average senior staff turnover during the last three years?**

The turnover for senior leadership team reporting directly to ICMA-RC's CEO between April 2016 and March 2019 was 6.45%.

ICMA-RC experienced management transitions among its senior leadership team, primarily due to planned retirements. These positions transitioned in accordance with ICMA-RC's management succession plans:



## 2019

- Joseph Teague, Managing Vice President, Field Sales and Relationship Management succeeded Ross Graham, Senior Vice President, Chief Sales Officer as the Interim Senior Vice President, Chief Sales Officer. Mr. Graham transitioned from ICMA-RC to pursue other endeavors.

## 2018

- Ross Graham, Senior Vice President, Chief Sales Officer, succeeded Christopher Matzke, who retired after serving nearly 15 years at ICMA-RC and more than 30 years in the financial services industry;
- David Tanguay, Senior Vice President, Chief Client Services Officer, expanded his role to include oversight of Product Management and Development, Enterprise Risk Management, Market Strategy, and Government Affairs;
- Les McCollum, Managing Vice President, Chief Information Security Officer, joined the executive leadership team; and
- Alex Hannah, Managing Vice President, Marketing and Communications, was promoted to Chief Marketing Officer and joined the executive leadership team.

## 2017

- Gregory Dyson, former Senior Vice President, Chief Operating Officer, transitioned to another organization. Following his departure, the position was realigned along with the transitions and appointments described above.

### **Describe your company's approach when there is turnover on the project team.**

At ICMA-RC, our succession management process is in place to ensure that we have bench strength and leadership capability to fill leadership vacancies when they arise. Our succession management focus is to quickly anticipate and fill succession gaps, identify associates with high management potential, and actively plan the careers and development of these associates to build our bench strength for the future. We aim to maximize innovation and deliver sustainable corporate results. We also believe that an active succession management program minimizes attrition among top performers and promotes high internal commitment to our mission.

- **Provide a listing of the representatives who will be providing counseling and education in the state of West Virginia and, if not already provided, a brief resume of each.**

ICMA-RC will hire a Retirement Plans Specialist who will be dedicated to providing services to your Plan. As a result, we do not have a resume to share at this time. We would be happy to involve the Agency in the hiring process if you would like to do so.

In addition, ICMA-RC Nancy Lange, CERTIFIED FINANCIAL PLANNER™ professional shall visit participants throughout the state to instruct employees on the need to have a comprehensive understanding of their unique financial planning situations.

- **What is your company's policy for initial and ongoing training and licensing of service personnel? Differentiate by type of personnel, if applicable. Include a description of your required licensing program.**



Local on-site Retirement Plans Specialists, senior supervisory personnel, and CERTIFIED FINANCIAL PLANNER™ professionals maintain securities licenses.

Typically, client-facing associates obtain licenses within the first 10 weeks of employment. These associates must successfully complete licensing requirements before communicating with participants.

### Initial Training

All client-facing staff receives 45 hours of classroom training. This program includes discussions of public sector plans, regulatory provisions of various types of retirement plan, ICMA-RC product characteristics, and plan features (contributions, withdrawals, transfers, taxes, penalties, etc.).

In addition to classroom training, each new Retirement Plans Specialist is involved in extensive self-study and on-the-job training. This is supported by online tutorials, exams, and a comprehensive training manual. Ongoing performance support is provided by a comprehensive online help system and a bulletin board for frequent updates.

On-the-job training and coaching is customized to the particular responsibilities of the associate. This on-the-job training consists of extensive supervision and monitoring during their first three months of employment, as well as working side-by-side with experienced colleagues.

Retirement Plans Specialists receive additional customized training regarding the clients they serve. This includes two weeks of additional training to learn the features of our services and the specific requirements of the large plans they serve.

ICMA-RC utilizes role-play exercises to augment classroom learning. The exercises consist of giving the associate a scenario that involves solving a participant issue. The associate would then describe how he or she would help provide a solution for the participant.

### Ongoing Training

ICMA-RC has several ongoing training programs. Retirement Plans Specialists attend quarterly training programs that include intensive product and systems training, as well as group breakout sessions to discuss client issues and solutions. The purpose of the sessions is to provide continuous education for our on-site professionals. The sessions also provide an interactive communication between our representatives and management on issues raised by employers and participants.

In addition to individual tutoring, ICMA-RC's on-site representatives receive group and individual presentation skills training. Presentation training is generally conducted by outside industry experts.

Headquarters associates have access to online training and group seminars on topics of particular import to their specific jobs. We also offer an extensive Mentor Advisory Program (MAP) to select associates. This program provides high-achieving associates with an opportunity to gain experience that enhances career development and personal growth by broadening their perspective on ICMA-RC's business and organization through group seminars and one-on-one mentoring programs.

- **Do you have a continuing education program in place for your service representatives to stay current of program changes, changes in the law, and investments?**





ICMA-RC has both required and optional ongoing training programs. Our Retirement Plans Specialists must attend quarterly training programs offered at both the territory and national level. These conferences generally cover intensive product and systems training, as well as group breakout sessions to discuss client issues and solutions.

Headquarters associates have access to online training as well as group seminars on topics related to their specific jobs. Our targeted training focuses on reinforcement of the products and services we offer and support. Monthly training provided to refresh and update Participant Services Representatives includes: customer service; reaching for stellar service; healing customer relationships; products and services; emergency withdrawals; beneficiary accounts; roll-in support; 1099-R; disbursements; and loans.

**If so, describe in detail and indicate if Plan staff may attend.**

ICMA-RC's internal education and training sessions are considered closed-door meetings, and Plan Sponsors are not invited to them. However, Rod Alcazar would be able to visit you in person to discuss changes in the law, investments, or plan direction that affect you and to discuss all other topics directly tied to our relationship with you. He can also organize on-site training sessions for your staff, board, or designated plan contacts, that are specifically related to the operation of your plan with ICMA-RC and provide education on industry trends, best practices, and day to day administrative steps that could help the TDC improve efficiencies and lessen administrative burdens.

- **In the past five years, has anyone you plan to assign to work with the Agency ever been denied a license as an agent or broker or any other insurance license, been reprimanded, or had a license revoked or suspended? If so, please state the name of the person, event, date, cause and outcome.**

In the past five years, none of the associates named in this proposal have been reprimanded in any of these ways.

- **Describe how your staff will assist the Agency in performing its due diligence.**

Fiduciary and Committee Member education are key components of the plan-sponsor training provided by ICMA-RC. Rod Alcazar, your ICMA-RC Relationship Manager, will coordinate training for you with members of the ICMA-RC Client Services department.

ICMA-RC provides fiduciary support through many channels to assist the Agency in addressing your fiduciary needs. ICMA-RC also sponsors client webinars and utilizes self-study education programs.

Your Relationship Manager will meet regularly with your governing board. We would be pleased to provide fiduciary education sessions annually or more frequently if needed. A variety of topics will be incorporated based upon our suggestions and your feedback and approval.

Topics can include:

- Federal legislative and regulatory updates
- Plan design
- Plan fees
- Participant investment education
- Participant loans



We routinely monitor federal legal and regulatory changes and report on such changes in our monthly *Employer Bulletin* and via our website, [www.icmarc.org](http://www.icmarc.org). This will help the Agency as it meets its fiduciary responsibility to maintain its plans in compliance with regulatory requirements.

Additionally, we will provide a **Plan Service Report**, designed to help you meet your fiduciary responsibilities. The Plan Service Report is a summary of financial activity, aggregate participant transactions, investment results, and fees, as well as a discussion of service enhancements and plan goals over the coming period. We will formally present this information to the Agency's governing board to assist in the due-diligence process. The investment, aggregate participant activity, and fee disclosure components are available online quarterly. A sample Plan Service Report is enclosed in the **Appendix**.

### Fiduciary Support via Data Visualization

With regard to fiduciary support and committee interaction, we will utilize ICMA-RC's Visual Analytics, a business intelligence tool powered by SAS. This dynamic data visualization tool enables you to identify, measure, and benchmark patterns and relationships in data that may not have been initially evident. It offers interactive reporting capabilities combined with advanced analytics so users can track trends and discover insights from any size and type of data to help you fulfill your fiduciary responsibility.

This tool makes data available as early as five business days following month end so that education and outreach campaigns can be more current and relevant for your participants.



- **Discuss staffing in the area that supports your Voice Recognition System (VRS) and Internet systems. How many are programmers?**

ICMA-RC employs an applications development team of 60, which includes 47 staff members and 13 consultants. The team supports the core recordkeeping system, Internet, Voice Response System (VRS), imaging, and Microsoft Windows applications.

ICMA-RC uses FIS's OmniDC system as its core recordkeeping system, and has a maintenance contract with FIS. Eight ICMA-RC staff members also support OmniDC and its related custom systems; four of these staff members are consultants.

The Internet team is comprised of two managers, 10 staff members, and six consultants.

The VRS uses the Presidio Voice Platform system, and has a 24-hour, seven day a week maintenance contract with Presidio for production support. ICMA-RC frequently uses Presidio expertise for major enhancements. ICMA-RC's VRS team is comprised of one manager and two staff members.

#### 4.2.1.1.2 TPA should provide a secure recordkeeping system capable of maintaining governmental defined contribution plan participant and related data confidential; maintain the Plan data as the sole property of the Agency; and ensure the system has quality controls that ensure proper reporting and reconciliation.

- **Describe your record keeping system, abilities and methodology. Please provide screen prints.**



ICMA-RC utilizes the OmniDC recordkeeping system, the leading plan administration package in the industry today. OmniDC was customized extensively by ICMA-RC to meet the specific needs of public sector retirement plans. Unique attributes of our recordkeeping system include:

- Maintaining information on participants using the catch-up provision for contributions.
- Automatic default of benefit payments to age 65 or the employer-selected default age, if a distribution payment option is not selected within the plans timeframe.
- Notification to retirees who have deferred distribution that they must make their distribution election, or use the one-time-forward change of the distribution date, if this provision has not been used.
- Customized disbursement application with built-in compliance checks.
- Customized application to ensure reconciliation between cash outflows and participant disbursement transactions with interfaces to accounting general ledger.
- Customized application to ensure plan-level reconciliation of contribution cash totals to participant detail totals.

We recordkeep at both plan and participant levels. All new participant accounts, allocations of contributions, disbursement payments, fund-to-fund transfers, earning credits, and participant and employer indicative data are stored and updated on our in-house system. Our recordkeeping system processes transactions generated from an employer or from a participant. The participant's quarterly statement reflects all transactions.

Screen shots of our EZLink system are included in the [Appendix](#).

**Indicate whether your system offers Plan specific information, investment fund information and performance, investment fees, account balances, current participant information, change of address or status, reallocation of account balances, withdrawals/disbursements, beneficiary designation, PIN code changes, printable statements, confirmations, asset allocation modeling, retirement calculators and personal rate of return.**

ICMA-RC's systems offer the following:

#### **Plan Specific Information**

Participants and plan sponsors may access plan specific information via the following:

- Account Access, the participant website, includes Plan specific information such as:
  - Articles from experts in retirement personal finance
  - Publications, including MarketView, that provide in-depth commentary and investment resources for long-term investors
  - Chart of the Week
  - Fund descriptions, including objectives, strategies, risk, and subadvisers
  - Plan features
  - Legislative updates
  - Library of retirement articles
  - Glossary
- EZLink, the plan sponsor website, includes Plan specific information such as:



- Plan balances by investment as of the most recent business date
- Plan level investment allocations
- Pie chart of plan investments by age range
- Contribution transactions for various date ranges for the plan
- Transactions by type summarized for various date ranges for the plan
- Participant addresses for participants by specified status or for all participants
- Daily share prices and short-term investment performance measures
- Total return performance in the SEC “standardized” presentation
- A library of ICMA-RC publications

### Investment Fund Information and Performance

Through our website, participants can access the following investment performance information:

- Total return and/or yield information for standard periods (1, 3, 5, and 10 years, or since inception).
- Short-term returns (quarter-to-date, year-to-date, rolling 12 month).
- Daily share prices
- Price history in downloadable format.

Participants can also link to pages that describe investment objectives and strategy, risk profile, portfolio composition, performance benchmarks, and commentary on the most recent completed quarterly performance.

Our Voice Response System (VRS) offers daily share prices. Investment performance information is available when speaking to a Participant Services Representative. Once logged into the VRS, participants have the option of transferring to a Client Services Representative at any time.

### Investment Fees

Participants may view investment information, including fee disclosures and trading restrictions via Account Access, the participant website.

### Account Balances

Participants may view a portfolio summary of total balance, balance by fund, balance by asset class, personal rate of return, and monthly income projection via Account Access, the participant website.

### Current Participant Information

Participants may view current address and beneficiary information via Account Access, the participant website.

### Change of Address or Status

Address and email changes may be completed by visiting Account Access, the participant website.



### **Reallocation of Account Balances**

Participants may initiate requests to reallocate future contributions through Account Access or by calling a Participant Services Representative in our toll-free Contact Center. Reallocation instructions become effective with the next plan contribution.

### **Withdrawals/Disbursements**

ICMA-RC receives disbursement instructions by employer-approved form or authorization from the employer by the submittal of the termination date through EZLink, the plan sponsor website. We can mail withdrawal packages to retiring employees. Lump sum requests for immediate payment received by 4:00 p.m. Eastern Time will be paid in two business days if all plan waiting periods have been met.

Requests for lump sum payments at a future date and periodic payments are initiated on a date chosen by the participant within the parameters of the employer's plan document.

In addition, ICMA-RC offers online withdrawal services. Once the employer provides termination dates for participants, they can log into Account Access to request disbursements. Requests received in good order before 4:00 p.m. Eastern Time are disbursed the following business day.

### **Beneficiary Designation**

Participants can use Account Access to update their beneficiary information. This information is maintained in our recordkeeping system and is displayed on the quarterly statements. It may also be viewed within Account Access, the online participant system.

### **PIN Code Changes**

Participants can setup their own User ID and password online by clicking the "Create an Initial User ID and Password" link located on the homepage. Upon successfully supplying their identifying information; SSN, Date of Birth, ZIP Code, and email Address, the participant will be permitted to setup their login information. The SSN is not used to log into the system and the participant will not be required to enter this information again once the self-selected User ID has been established.

A participant who misplaces his Internet PIN can be transferred to a Participant Services Representative through the Voice Response System and request that the PIN be re-set to the original default PIN.

### **Printable Statements**

Participants may request statements online via Account Access. Statements are available online by the 12<sup>th</sup> business day following quarter end.

### **Confirmations**

Transaction confirmations are available online via Account Access. If participants do not wish to receive confirmation letters in the mail, they can elect to receive electronic confirmations online, and receive email notifications when confirmations are available for viewing in their account.



### Asset Allocation Modeling

Participants can complete investment allocation changes through Account Access or through the Contact Center. Forms are not available since we provide multiple, convenient and time-sensitive methods to assist participants.

There are no system limitations on the number of Asset Allocation Models that can be created. If required, ICMA-RC personnel will work with the plan administrator to help determine the appropriate number of models for the plan.

### Retirement Calculators

ICMA-RC has developed a series of calculators designed to complement one another for a seamless user experience that will assist participants through a range of career stages and after retirement. We've structured these calculators in such a way to create a lifelong educational package. Participants can:

- Identify their retirement readiness using the [Am I On Track? tool](#).
- Calculate their pension benefit using the [Pension Calculator tool](#).
- Identify ways to save using the [Small Change, Big Savings calculator](#).
- See how tax benefits help them save in a retirement account using the [Paycheck calculator](#).
- Learn about why to start saving now rather than waiting by using the [Cost of Delay calculator](#).
- Save more over time using the [Savings Boost calculator](#).
- Forecast future retirement savings and income, especially important as participants get closer to retirement, using the [Retirement Savings calculator](#).
- Manage their retirement account distributions using the [Retirement Withdrawal calculator](#).
- Manage IRS required minimum distributions using the [RMD calculator](#).
- Estimate their future health care cost using the [Retiree Health Cost Estimator](#).

### Personal Rate of Return

Participants may view the personal rate of return for their investment portfolio via Account Access, the participant website. The personalized rate of return gives the personal return on the investment portfolio in a year-to-date number and a current quarter number. Personalized performance numbers combine the impact of individual fund performance and account activity. Account activity includes withdrawals and contributions. These numbers reflect the size and timing of the participant's cash flows.

The personal rate of return is calculated using the Time-Weighted Rate of Return - Modified Dietz approximation method.

- **Describe the quality control procedures in effect, including resolution of data discrepancies, ensuring timely compliance with all provisions of the Plan and government requirements and that all forms and authorizations are complete and on file.**

ICMA-RC employs several levels of oversight and procedures to promote the highest quality in all aspects of our retirement recordkeeping services.



- **Level 1:** Associates processing transactions self-review their work for completeness, validity and accuracy.
- **Level 2:** A risk-based sampling methodology is employed to select transactions for peer review by another associate to validate that transaction information entered is consistent with the supporting documentation and plan specifications.
- **Level 3:** Each functional unit performs a higher-level review several times during the day, when the OmniDC edit reports are run. These reports are reviewed for rejected transactions, which are researched and corrected immediately.
- **Level 4:** The reviewer ensures that all units have completed their Level 3 reviews before authorizing the start of the posting cycle in the recordkeeping systems.

A comprehensive array of edits is built into our system to identify possible errors and promote data integrity. Transaction edits are performed during data entry by our custom-developed front-end systems. These edits include a review of plan and participant numbers, plan-level restrictions, dates, and transaction viability. These front-end system edits provide immediate, online error messages. Our OmniDC system edits all transactions several times each day, identifying possible errors and matching the detail and totals of all contributions. Discrepancies are listed in reports generated by the system and are investigated and resolved prior to day-end posting. Processes such as contribution processing, distributions and tax reporting all go through these series of edits to ensure accuracy and validity.

In addition, our Internal Audit department performs objective assurance and consulting activities designed to add value and improve our operations. Internal Audit reviews the reliability and integrity of information, compliance with policies and regulations, safeguarding of assets, economical and efficient use of resources, and established operational goals and objectives. Internal audits encompass all aspects of our business, including financial and operational activities, compliance, information systems, marketing, and human resources.

On an annual basis, Internal Audit performs an independent evaluation of the risk rating for each organization or function based on inherent risk to the organization, prior audit results and Internal Audit's assessment of the control environment. Internal Audit then performs one-on-one risk assessment meetings with management to review, modify where appropriate and obtain consensus on the risk rating for each auditable entity, summarizes these results and develops the recommended audit plan based thereon. The plan, along with the results of the Risk Assessment, is then provided to the audit committee of the board of directors for review and approval.

- **Provide sample forms used for withdrawals, non-financial information, beneficiary designation and other applicable forms.**

The following items are included in the **Appendix**:

- Sample Withdrawal Packet
- Sample Beneficiary Withdrawal Packet
- Sample QDRO Withdrawal Form
- TD Ameritrade Participant Account Agreement Form
- Sample Enrollment Kit
- **Describe how your system processes and the time requirements for:**
  - **Contributions Distributions (lump sum and other)**



### Contributions Processing

Payroll data is sent electronically through our secure plan sponsor website, which allows employers to download payroll data directly from their payroll systems into ICMA-RC's recordkeeping system.

Contributions may be sent by wire or ACH to our designated bank. If received in good order before 4:00 p.m. Eastern Time on a normal business day, contributions will post as of the close of business that day. In the event the contribution amount does not reconcile with the payroll data, the employer will receive notification that an issue has been identified and must be corrected before the contributions will post to participant accounts.

All contribution data received from employers is subjected to extensive edit checks prior to processing. In addition to business rules and field content edits, contribution transaction data is reconciled to the cash received from an employer prior to posting.

At the end of each day, all activity is aggregated and a buy and sell is made with each investment option.

### Distribution Processing

ICMA-RC processes distributions as follows:

- ICMA-RC receives disbursement instructions by employer-approved form or authorization from the employer by the submittal of the termination date through EZLink. We can mail withdrawal packages to retiring employees. Lump sum requests for immediate payment received by 4:00 p.m. Eastern Time will be paid in two business days if all plan waiting periods have been met.
- Requests for lump sum payments at a future date and periodic payments are initiated on a date chosen by the participant within the parameters of the employer's plan document.
- In addition, ICMA-RC offers online withdrawal services. Once the employer provides termination dates for participants, they can log into Account Access to request disbursements. Requests received in good order before 4:00 p.m. Eastern Time are disbursed the following business day.

- **Annuities**

If participants wish to purchase an annuity, ICMA-RC's Income for Life program<sup>1</sup> offers a convenient, objective, and low-cost method to purchase annuities as a form of distribution from selected insurance companies.

Based on information provided by the participant or beneficiary, a registered Participant Services Representative generates an individual annuity quote/benefit illustration. This information, along with an annuity enrollment kit, is mailed to the participant or beneficiary. Upon participant or beneficiary return of employer-approved enrollment forms, funds are wired to the annuity provider and a confirmation of the annuity purchase is mailed to the participant or beneficiary. The annuity provider then sends a welcome letter, customer service information, and an annuity certificate to the participant or beneficiary.

<sup>1</sup> Annuities are insurance products available through companies not affiliated with ICMA-RC. Please consult "Income for Life Annuity Program: Immediate Annuities for Retirement Income," prior to purchasing an annuity. 800-669-7400.





The annuity provider then begins making annuity payments to the participant or beneficiary at the agreed upon frequency.

ICMA-RC partners with select insurance companies that make annuities available through the Income for Life Annuity program. Participating insurance companies compensate ICMA-RC for providing administrative services in support of the Income for Life Annuity program. The fee is at an annual rate of 80 basis points (0.8%) of the purchase amount of the annuity for a period of five years.

- **Required minimum distributions (age 70 ½ and death)**

ICMA-RC calculates the Required Minimum Distribution (RMD) for all participants over age 70½ and separated from service. For participants already receiving RMD payments, we adjust their payments each year to satisfy their RMD. For participants who are receiving payments, but who have not elected a payment schedule designed to meet their RMD, we review their accounts annually and adjust their payments, if necessary. For participants who are not receiving payments, we notify them to make a payment election. If no election is made, we distribute the RMD payment prior to the IRS deadline.

We calculate the Required Minimum Distribution each year using the life expectancy tables provided in the Internal Revenue Service Publication 590-B.

- **Describe how you ensure accurate conversion of all historical data.**

At transition, ICMA-RC collects all data needed to independently administer the plan at the completion of the transition. In addition to indicative data such as name, address, beneficiary records, etc., ICMA-RC collects the key historical data as detailed below at transition.

Typically, the only historical data needed from the prior recordkeeper post transition is to confirm account balances as of a specific date for Qualified Domestic Relations Order calculations. It is common practice for recordkeepers to work with each other post transition to supply this information as needed. All other information needed for ICMA-RC to independently administer the plan is collected at transition.

During the transition planning phase, we will conduct an assessment of the data being provided by your current recordkeeper and will detail our findings and data needs as part of the project timeline. Data is categorized as critical or non-critical during this analysis. Typically, participant beneficiary information is dated and our on-site education and participant transition materials emphasize the importance of checking account information post transition.

### **Historical Data Collection**

#### ***Loan Records***

- Loan number
- Loan issue date
- Loan interest rate
- Loan payment
- Loan remaining balance
- Total expected interest
- 12 month history (for calculating new loans during the first year of administration)



- Deemed/Distributed loan records

***Installment Records Including Required Minimum Distribution Information:***

- Installment start date
- Eligible/non-eligible rollover 10 year flag
- Calculation method – period certain/amount
- Tax withholding information
- Bank ACH/wire deposit information
- Prior year end balance
- Withdrawals year to date

***Pre-Retirement/Age 50 Catch Up***

- Additional amounts eligible for contribution

- **Describe how your systems address member vesting.**

ICMA-RC is capable of administering the vesting schedule specified by the employer when the 401 plan is established, and we will ensure participants receive only the amounts to which they are entitled when they withdraw funds from their accounts. Our recordkeeping platform for 401 plans allows for a maximum of two separate vesting schedules, based on date of hire, and we will add applicable service to rehired participants for the purpose of calculating their vesting status. Employers may be asked to confirm a participant's vesting status before an account is paid out.

- **Discuss the ability of your system to separately track employer and member pre-tax and post-tax contributions.**

Our recordkeeping system separately tracks different sources of assets in each participant's account, including employer and employee contributions. Pre-tax and post-tax contributions are also tracked separately.

- **Describe your procedures to ensure Plan activity is posted daily and that ending balances are reconciled on a daily basis.**

We recordkeep all transactions (contributions, fund transfers, and disbursements) and valuation activity by participant and plan daily. At the end of each day, all activity is aggregated and a buy and sell is made with each investment option.

The following process is used to implement daily valuations and transactions with investment funds:

- All participant transfer instructions and employer contributions/data received in good order by 4:00 p.m. Eastern Time, will be included in that day's reconciliation and posted to participant accounts at the price as of the close of business.
- Whenever possible, we contact applicable parties same-day when assistance is required for discrepancies between contribution data and assets.
- Fund NAVs are received from each investment provider by 6:30 p.m. Eastern Time each evening.
- We aggregate all plan transactions for each fund. We transmit trade information for most of the funds by 8:30 a.m. Eastern Time.



- We initiate cash transfers to finalize daily transactions with each investment fund or trading partner by 2:00 p.m. Eastern Time at the prior business day's close of business price.

**Do you use share or unit accounting for daily valuations?**

We recordkeep assets at both Net Asset Value (NAV) and on a unitized basis depending on the fund. For mutual funds made available via our open architecture platform, we will use share accounting at the NAV.

**Does the daily valuation accounting involve estimation? If so, how often are accounts reconciled?**

Our daily valuation accounting does not involve estimation.

- **Describe your procedures for communicating purchase and sale directions (e.g., investments, transfers, withdrawals, and rollovers).**

Transaction confirmations are available online. If participants do not wish to receive confirmation letters in the mail, they can elect to receive electronic confirmations online, and receive email notifications when confirmations are available for viewing in their account.

- **Describe what information you maintain in a participant's account record.**

We can maintain the following information on a participant's account record:

- |                                      |                                   |                                      |
|--------------------------------------|-----------------------------------|--------------------------------------|
| ▪ Participant name                   | ▪ Plan entry date                 | ▪ Foreign country code               |
| ▪ Participant Social Security number | ▪ Termination date                | ▪ Taxability locality                |
| ▪ Participant work phone number      | ▪ Contribution suspense date      | ▪ Home phone number                  |
| ▪ Participant status                 | ▪ First withdrawal date           | ▪ Months in suspension               |
| ▪ Federal marital status             | ▪ Withdrawal date                 | ▪ Total number of contributions      |
| ▪ Beneficiary code                   | ▪ Payment address                 | ▪ Contribution suspense              |
| ▪ Gender                             | ▪ Minimum distribution            | ▪ Return mail code                   |
| ▪ State deduction                    | ▪ State contribution amount taxed | ▪ Marital status                     |
| ▪ State marital status               | ▪ Mandatory withholding           | ▪ Last contribution date             |
| ▪ State number of dependents         | ▪ Death benefit (percentage)      | ▪ Last transfer date                 |
| ▪ Federal number of dependents       | ▪ Termination code                | ▪ Account set-up date                |
| ▪ Hardship eligibility               | ▪ Next payment date               | ▪ Last change date (indicative data) |
| ▪ Withholding                        | ▪ Loan default                    | ▪ Date of death                      |
| ▪ Participant birth date             | ▪ Salary                          | ▪ Last allocation change date        |
| ▪ Participant employment date        | ▪ Participant address             | ▪ Job title                          |
|                                      | ▪ Taxability state                |                                      |

Additional user-defined fields are available and may be applied to your specific needs.

- **Discuss how you conduct the allocation of contributions among investment options and reconciling individual participant contributions in accordance with the Plan's requirements and parameters, including a timeline of the process, time requirements on the receipt of NAV information and confirmation of the receipt of funds.**



We recordkeep all transactions (contributions, fund transfers, and disbursements) and valuation activity by participant and plan daily. At the end of each day, all activity is aggregated and a buy and sell is made with each investment option.

The following process is used to implement daily valuations and transactions with investment funds:

- All participant transfer instructions and employer contributions/data received in good order by 4:00 p.m. Eastern Time, will be included in that day's reconciliation and posted to participant accounts at the price as of the close of business.
- Whenever possible, we contact applicable parties same-day when assistance is required for discrepancies between contribution data and assets.
- Fund NAVs are received from each investment provider by 6:30 p.m. Eastern Time each evening.
- We aggregate all plan transactions for each fund. We transmit trade information for most of the funds by 8:30 a.m. Eastern Time.
- We initiate cash transfers to finalize daily transactions with each investment fund or trading partner by 2:00 p.m. Eastern Time at the prior business day's close of business price.

#### **Investment Allocations**

Participants may initiate requests to reallocate future contributions through ICMA-RC's website or a Participant Services Representative via our toll-free Contact Center. Reallocation instructions become effective with the next plan contribution.

#### **Contributions Process**

Contributions are sent electronically through our secure plan sponsor website, which allows employers to download payroll data directly from their payroll systems into ICMA-RC's recordkeeping system.

Contributions may be sent by wire or ACH to our designated bank. If received in good order before 4:00 p.m. Eastern Time on a normal business day, contributions will post as of the close of business that day. In the event the contribution amount does not reconcile with the payroll data, the employer will receive notification that an issue has been identified and must be corrected before the contributions will post to participant accounts.

All contribution data received from employers is subjected to extensive edit checks prior to processing. In addition to business rules and field content edits, contribution transaction data is reconciled to the cash received from an employer prior to posting.

At the end of each day, all activity is aggregated and a buy and sell is made with each investment option.

#### **Confirmations**

Payroll contributions are submitted electronically via EZLink, and a confirmation page is displayed immediately following submission of a file.



- **Discuss error corrections for:**
  - **Contributions**
  - **Withdrawals/Distributions (both over-and under-payments)**
  - **Transfers**
  - **Allocation of earnings**
  - **Tax reporting**

**State if error processing is manual or electronic.**

In the event of an error made by ICMA-RC and, as a direct result, a loss is incurred by the participant (or a gain is not received), we will adjust the account retroactively. We will then correct the transaction and the account will be made whole.

Error corrections are completed manually.

- **Describe your procedures for reconciling the plan depository investment accounts and the information and statements that you will provide to the Agency.**

Our Proof and Control system generates daily reports for the purpose of reconciling balances and activity in the plan on a daily basis. Exceptions are researched and resolved promptly.

**Quarterly Employer Statements** are distributed electronically via EZLink within 12 business days after quarter end.

Comprehensive reporting capabilities are made available online to help plan sponsors efficiently monitor and analyze plan information:

- **Plan Service Report** – Includes financial activity, participant transactions, and investment results, as well as a discussion of service enhancements and plan goals over the coming period. We will formally present this information to you annually to assist with your due diligence process.
- **Annual Plan Statement** – Includes a summary of financial activity from January to December.
- **Contribution Limit Report** – Assist employers with monitoring participant contributions in order to avoid exceeding IRS contributions limits.

In addition to the above, a multitude of reports are available to help you fulfill your fiduciary responsibilities as a plan sponsor. The information and reporting capabilities you will have access to online include:

**Plan Information**

- Plan Health Monitor
- Six new dashboards organized by job function for easier access to the features used most
- Asset changes (fund transfers, disbursements, contributions)
- Asset allocations
- Enrollments



- Asset roll ins and roll outs
- Plan balances by investment as of the most recent business date
- Plan level investment allocations
- Pie chart of plan investments by age range
- Contribution transactions for various date ranges for the plan
- Transactions by type summarized for various date ranges for the plan
- Addresses for participants by specified status or for all participants
- Contribution limit reports for 457 limits
- Daily share prices and short-term investment performance measures
- Total return performance in the SEC "standardized" presentation
- A library of ICMA-RC publications
- Quarterly statements

#### Participant Information

- Account balance by investment
  - Year-to-date contributions and contributions by specified date range
  - Allocation percentages
  - Statements on demand
  - Personal Information (name, address, date of birth, date of hire, termination date, account status, account balance)
  - Quarterly statements
- **Describe the procedures and time required for your company to transfer all or a portion of a participant's account balance in an investment option to another investment option. Give any minimum time guarantees you provide as well as your company policy on retroactively correcting any erroneous transfers. Affirm that if an erroneous contribution is due to your company's error, you will make the participant whole at your company's (and not the Plan's) expense, unless the adjustment would not be beneficial to the participant. Provide a complete timeline, including the terms and conditions under which you can provide a transfer at that day's purchase price. State if your system will process the transfer of account balances by percent and by dollar amount.**

Fund transfers and exchanges are processed daily. All participant instructions received in good order by 4:00 p.m. Eastern Time are included in that day's reconciliation and posted to the participants' accounts at the price as of the close of business. A confirmation letter is generated to the participant within two business days of the posting of the transaction.

#### Participant-Level Restrictions

Funds may assess redemption fees for assets that have been invested for less than a period of time defined in the fund prospectus or disclosure documents.

While participants always have the right to transfer the market value from the VT Retirement Income Advantage Fund to other investment options available within the plan, transfers from the Fund will proportionately reduce the guaranteed values available from the Fund.



Following a transfer from the Fund, participants are restricted from transferring back into the Fund for a period of 90 days.<sup>1</sup>

If a participant leaves the retirement plan, the ability to transfer all or part of the VT Retirement IncomeAdvantage Fund's guarantees to an IRA made available by Prudential Retirement Insurance and Annuity Company may be limited. Further, the terms and conditions of the successor IRA may differ significantly from those applicable to the Fund.

### **Market Value Adjustments**

ICMA-RC does not impose any financial market value adjustments or other financial penalties on withdrawals or transfers among mutual funds or rollover of mutual funds to another provider (aside from amortization schedules for the payment of such charges imposed by other vendors and charges for early withdrawal from bank CDs).

### **Short-Term Trading Policy**

A summary of **ICMA-RC's Frequent Trading Policy** is provided in the **Appendix**.

### **Erroneous Transfers**

In the event of an error made by ICMA-RC and, as a direct result, a loss is incurred by the participant (or a gain is not received), we will adjust the account retroactively. We will then correct the transaction and the account will be made whole.

### **Transfer Timeline**

All participant instructions received in good order by 4:00 p.m. Eastern Time are included in that day's reconciliation and posted to the participants' accounts at the price as of the close of business.

### **Transfer Method**

Investments can be transferred in percentages for multiple funds or, if a fund is being exchanged to another fund, can be transferred as a percentage or as a dollar value. Contribution investment allocations are changed in percentages.

- **Discuss how fund transfers are executed.**

Participants may instruct ICMA-RC to execute investment fund transfers over our website or through our Participant Services Representatives. The following process is used to implement fund transfers:

- All participant transfer instructions received in good order by 4:00 p.m. Eastern Time, are included in that day's reconciliation and posted to participant accounts at the price as of the close of business.
- Transactions received after 4:00 p.m. Eastern Time or on weekends and holidays are included in the next business day's activity and are posted to participant accounts at that day's close of business share price.
- Fund NAVs are received from each investment provider by 6:30 p.m. Eastern Time each evening.

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<sup>1</sup> Please note that the VT Retirement IncomeAdvantage Fund is not available for 403(b) plans.



- We aggregate all plan transactions for each fund. We receive confirmations of wires sent to investment companies.
- We transmit trade information for most of the funds before 8:30 a.m. Eastern Time.
- We initiate cash transfers to finalize daily transactions with each investment fund or trading partner by 2:00 p.m. Eastern Time at the prior business day's close of business price.

- **Discuss time cutoffs for investment companies in order to have contributions invested.**

Fund transfers are processed daily. All participant instructions received in good order by 4:00 p.m. Eastern Time are included in that day's reconciliation and posted to the participants' accounts at the price as of the close of business. Transactions received after 4:00 p.m. Eastern Time or on weekends and holidays are included in the next business day's activity and are posted to participant accounts at that day's close of business share price. A confirmation letter is generated and mailed to the participant within two business days of the posting of the transaction.

- **Describe how you expect to process participant changes in investment elections.**

Participants may initiate requests to reallocate future contributions through ICMA-RC's website or a Participant Services Representatives via our toll-free Contact Center. Reallocation instructions become effective with the next plan contribution.

A participant can change their future investment allocation daily, with no limit (this is not a financial transaction). A participant can make trades daily; however, that activity will be flagged if it violates the frequent trading policy and handled in the appropriate manner. A copy of our frequent trading policy can be found in the [Appendix](#).

- **Describe your processes for maintaining up-to-date beneficiary information.**

Participants can use Account Access to update their beneficiary information. This information is maintained in our recordkeeping system and is displayed on the quarterly statements. It may also be viewed within Account Access, the online participant system.

- **Discuss how you process QDROs and what you provide to members and alternate payees**

We provide all administrative services to assist the employer in making the final decision related to Qualified Domestic Relations Orders (QDROs).

The role the employer would play in processing QDROs would be defined by the employer. While we generally ask employers to sign off on any division or distribution made pursuant to a QDRO meeting the applicable requirements, if an employer wishes, the employer can be removed from the process once the employer has adopted ICMA-RC's standard procedures.

An ICMA-RC QDRO Specialist oversees the QDRO process from start to finish. To facilitate the process, we offer the following comprehensive services:

- An informational letter
- Sample stipulation
- Telephone consultation
- Pre-review of the QDRO





- Establishing an individual account for the alternate payee
- Tax withholding and reporting upon disbursement

ICMA-RC processes QDRO distributions upon notification in accordance with IRS regulations and plan guidelines. When an employer is not involved in the process, the participant or alternate payee sends copies of duly signed or certified QDROs directly to ICMA-RC's QDRO Specialist. ICMA-RC would then transfer funds according to our standard procedures. Our system also calculates and processes QDRO distributions to alternate payees.

The alternate payee has full access to all the investment options available to the plan, Participant Services Representatives in our Contact Center, the toll-free Voice Response System, and the website. The total processing time from start to finish varies based on receipt of supporting documentation, timing of court orders, etc.

- **Discuss your system edit process for:**
  - **Member and employee contributions, both by source and investment**
  - **Applications and changes in status**
  - **Transfers**
  - **Vesting/Service**
  - **Withdrawals/Distributions**
  - **Tax forms, e.g., 1099Rs**
  - **Provide samples of the type of edit reports that would be issued for these types of transactions**

We employ several levels of oversight and procedures to promote the highest quality in all aspects of our retirement recordkeeping services.

- **Level 1:** Associates processing transactions self-review their work for completeness, validity and accuracy.
- **Level 2:** A risk-based sampling methodology is employed to select transactions for peer review by another associate to validate that transaction information entered is consistent with the supporting documentation and plan specifications.
- **Level 3:** Each functional unit performs a higher-level review several times during the day, when the OmniDC edit reports are run. These reports are reviewed for rejected transactions, which are researched and corrected immediately.
- **Level 4:** The reviewer ensures that all units have completed their Level 3 reviews before authorizing the start of the posting cycle in the recordkeeping systems.

A comprehensive array of edits is built into our system to identify possible errors and promote data integrity. Transaction edits are performed during data entry by our custom-developed front-end systems. These edits include a review of plan and participant numbers, plan-level restrictions, dates, and transaction viability. These front-end system edits provide immediate, online error messages. Our OmniDC system edits all transactions several times each day, identifying possible errors and matching the detail and totals of all contributions. Discrepancies are listed in reports generated by the system and are investigated and



resolved prior to day-end posting. Processes such as contribution processing, distributions and tax reporting all go through these series of edits to ensure accuracy and validity.

In addition, our Internal Audit department performs objective assurance and consulting activities designed to add value and improve our operations. Internal Audit reviews the reliability and integrity of information, compliance with policies and regulations, safeguarding of assets, economical and efficient use of resources, and established operational goals and objectives. Internal audits encompass all aspects of our business, including financial and operational activities, compliance, information systems, marketing, and human resources.

On an annual basis, Internal Audit performs an independent evaluation of the risk rating for each organization or function based on inherent risk to the organization, prior audit results and Internal Audit's assessment of the control environment. Internal Audit then performs one-on-one risk assessment meetings with management to review, modify where appropriate and obtain consensus on the risk rating for each auditable entity, summarizes these results and develops the recommended audit plan based thereon. The plan, along with the results of the Risk Assessment, is then provided to the audit committee of the board of directors for review and approval.

A sample Level 3 Reconciliation Report template are included in the [Appendix](#).

- **Discuss the training you will provide to Agency staff in the use of the vendor system, and provide an administrative manual with complete instructions on how to access and view such information and how to troubleshoot routine problems, and making available a representative to assist Agency staff in correctly obtaining access to the database and generating reports. Describe the capabilities and qualifications of that individual and what steps your firm will take in order to ensure that Agency staff can obtain resolution to problems on a timely basis.**

**Rod Alcazar, Director of Relationship Management**, will coordinate all training for your staff regarding our services and our systems and will provide as many training sessions as needed. Training will be provided on the following key areas as well as any specific training you would request:

- Due diligence and fiduciary responsibility
- ICMA-RC plan sponsor website, EZLink, including reporting and contribution and maintenance transmission.
- ICMA-RC administrative processes (Employer Plan Administration Guide).
- ICMA-RC transition plan and procedures.
- Online features available to maximize plan sponsor and participant experiences.
- Compliance-related issues.

EZLink, our Web-based employer administrative tool, features an online help function for easy reference. As part of the transition process, your staff will be trained on using the plan sponsor website, EZLink. ICMA-RC's [Employer Plan Administration Guide](#) provides another level of comprehensive information on all aspects of our service and is available online.

In addition, our on-site staff will coordinate all training for the West Virginia TDC Plan's staff regarding our services. Payroll department personnel will be trained on ICMA-RC's administrative processes.



### **Rod Alcazar Background & Qualifications**

Mr. Alcázar joined ICMA-RC in 1996 and is a member of ICMA-RC's National Relationship Management Team. He is based in our headquarters in Washington, D.C. In his current role as Director, he leads a team of Relationship Managers who act as liaisons between state level clients, large recordkeeping only clients and jumbo city/county clients and ICMA-RC. In this capacity, Mr. Alcázar and his team manage ongoing client relationships by interacting with all corporate divisions, including Marketing, Operations, Legal, and Communications. They also work closely with the Information Technology and Operations divisions in the development of client requests for new business process requirements and solutions.

Prior to this his current role, Mr. Alcázar was Director, Client Services, where he led regional teams of Client Services Managers who acted as liaisons between large public employer plans and ICMA-RC. Mr. Alcázar also managed the Participant Services Technical Team where he was responsible for the Voice over Internet Protocol (VoIP) corporate initiative and the technical operations of Participant Services. He began his career at ICMA-RC in the Participant Services area, where his primary role was to respond to inquiries regarding 401(a) and 457 retirement plans.

Mr. Alcázar has been in the financial services industry since 1993. He earned a Bachelor of Science degree in Finance and a Masters of Arts degree in International Commerce and Policy from George Mason University. Mr. Alcázar also earned a certificate in Global Trade from Oxford University.

He is a Registered Representative and holds insurance licenses.

### **Problem Resolution Steps**

**Janna Dandridge, National Relationship Manager**, and the Plan Sponsor Services team is experienced and extensively trained in plan administration, and they are empowered to handle most employer inquiries. When dealing with complex situations, team members have ready access to key knowledge resources and management to assist them in resolving any employer inquiry. Client Services management regularly reviews the status of employer inquiries received. In the event that resolution of an issue has been delayed, this will come to the attention of senior management on a timely basis as part of their review. If an aged inquiry is identified, it is escalated for immediate attention until resolved.

- **Describe the arrangements under which your firm will provide the Agency staff on-line access to Plan reports and records. Describe the data that will be available to staff and provide copies of the data screens that staff will view.**

EZLink, ICMA-RC's proprietary Web-based employer administrative tool ([www.icmarc.org](http://www.icmarc.org)), is designed to make plan administration easy and convenient for plan sponsors. EZLink is an automated platform for transmitting contributions, enrollments, employee changes, distribution requests, and other transactions.

In addition, EZLink offers comprehensive reporting capabilities that enable plan sponsors to monitor and analyze plan and investment activity. To meet the unique needs of plan sponsors, online report formats are highly flexible and data can be downloaded to an Excel spreadsheet file. The following reports are available:

### **Fiduciary Oversight Reports**

- **Asset Change/Asset Allocation Reports.** Allocation of assets by fund or asset class for client-selected date range in table or graphic format.



- **Transaction Reports.** Contribution, disbursement, and fund transfer reports by fund or asset class for client-selected date range in table or graphic format.
- **Enrollment Report.** Participant enrollments and departures from plan for a client-selected date range.
- Administration Reports
- **Participant Information Report.** Indicative data and current balance for range of participants.
- **Address Report.** Shows all valid and invalid addresses.
- **Transaction Detail Report.** Provides individual participant transactions for a specified period.
- **Participant Account Data.** Instant access to address employee questions.
- **Plan-Level Quarterly Statement.** Available through EZLink.
- **Participant Quarterly Statements.** Available through EZLink.
- **Loan Reports.** Loan check history, loans paid in full, loan repayment activity, loans processed for payroll deduction, new loan issuances, loan details, loan payoff, current loan balances, and pending loans.
- **Employee Changes Report.** Provides a list of all changes that have been processed within a client-selected date range.
- **Contribution Limit.** View listing of year-to-date contributions for each participant to assist in monitoring IRS contribution limits.
- **Deferral Information.** View a listing of current deferral information/changes for individual participants.
- **Participant Contribution Overage/Catch-up.** View, print, or download a report listing participants who are maxing out their contributions or participating in catch-up.
- **Required Minimum Distribution.** View a listing of participants who are greater than age 70½ in the testing year who are not terminated and had an account balance on the last day of the prior year. This report helps the employer to validate whether the participants listed are still employed and to identify those participants who are terminated but whose termination date still needs to be entered into the recordkeeping system in order for their RMD status to be accurately reported.
- **Exception Reports.** View a listing of participants who had transactions rejected via an enrollment or indicative change submitted electronically by the plan sponsor, have missing or inaccurate personal information, or are missing a date of birth.
- **Plan Usage Demographics.** View various types of plan usage and demographic information such as average balance/contribution by age, participants in investment funds or default funds, and the top funds based on the number of investors.
- **Roll In and Roll Out & Incoming Rollovers by Date.** View activity related to rollovers by client specified date range.

#### Account Access Statistics

- Participant demographics
- Login activity
- Account demographics
- Transaction counts



### Daily Reports

- Plan balances by investment
- Plan level investment allocations
- Pie chart of investment allocations by age
- Daily share prices and performance
- Participant information, including account balance by investment, year-to-date contributions and contributions by a specified date range, allocation percentages, statements on demand, and indicative information.

### Transaction Implementation

- Contribution data transmittal
- Enrollments and rehires
- Changes to contribution deferral amounts
- Individual and aggregate indicative data updates
- Survivor updates
- Terminated participants
- Enrollment approval (for online self-enrollment process)
- Request and email forms and publications

### Plan Analytics

- An array of reports designed to provide information on investment returns, plan balance and activity, plan participation and individual participant information.
- Functionality to allow users to view information in either a pre-set or custom date range (for select reports) format.
- A filter option allowing users to select various investment and participant attributes when creating reports.
- A PDF feature which allows users to view, print, and save single as well as multiple reports.
- Formatting options to make reporting tasks quick and easy.

### Visual Analytics

We make our self-service Visual Analytics tool available to the West Virginia TDC Plan. This dynamic data visualization tool enables you to identify, measure, and detect patterns and relationships in data that may not have been initially evident. It offers interactive reporting capabilities combined with advanced analytics so users can track trends and discover insights from any size and type of data to help you fulfill your fiduciary responsibility. This tool makes data available as early as five business days following month end so that education and outreach campaigns can be more current and relevant for your participants.

### Copies of Data Screens

Sample EZLink screenshots are included in the [Appendix](#).



- **Indicate if you will apply or are capable of applying different restrictions to different accessing parties.**

Confirmed. EZLink includes various roles that can be assigned to different individuals, thus meeting this requirement. Furthermore, if at a later date a new role is needed, it can be added.

- **Indicate what legal and advisory services you will provide the Agency in administering its Plan in conformance with the appropriate laws and regulations. Indicate how you will review and inform the Agency of changes in the law and regulations and current legislation potentially impacting the Plan.**

ICMA-RC reviews, analyzes, and reports on federal-level legal and regulatory developments that may affect plans administered by ICMA-RC. In addition to our in-house legal staff, we also retain outside counsel in Washington, D.C. to address issues related to deferred compensation and defined contribution plan laws and regulations. When there is a specific state or local issue, we can retain local counsel if needed. With the exception of the retention of local counsel, the services outlined here are included in our standard fees. There may be additional fees assessed for retaining local counsel.

Our Legal Division, in consultation with outside counsel, monitors the federal legal and regulatory environment with a view toward providing our plan administrative services in accordance with all the Internal Revenue Code and other applicable laws of the United States, as well as our corporate charter. We report on federal legal and regulatory changes affecting your plan via our monthly *Employer Bulletin*.

ICMA-RC not only monitors retirement plan-related federal legislation, we also seek to further the prospects of bills that would benefit public sector employees. We maintain active memberships and/or relationships with the National Association of Government Deferred Compensation Administrators (NAGDCA), Investment Company Institute (ICI), the SPARK Institute, and the Employee Benefit Research Institute (EBRI) as part of this effort.

- **Discuss how you regularly gather the contribution and compensation data necessary for Section 415(c) IRC limit testing.**

For 401 plans, we have the capability to perform IRC Section 415(c) limit testing if all requisite data is received electronically from the plan sponsor. Payroll information on salary and contributions to other pertinent plans is required for proper calculation of these tests. For those clients who choose not to provide the necessary information, ICMA-RC provides instructional guidance and worksheets to assist them in performing the test themselves.

- **Describe and provide a sample of the administrative procedures and policies manual outlining all the administrative requirements as well as sample forms and instructions.**

The *Employer Plan Administration Guide*, available on EZLink, our Web-based employer administration tool, provides comprehensive information on all aspects of our program, including:

- Enrollment procedures
- Review of key plan provisions
- Withdrawal/benefit payment procedures
- Contribution/daily processing procedures

The manual's table of contents is included in the *Appendix*.



- **Describe how you handle audit documentation where paperless processing has occurred.**

We will work closely with the auditor to provide the recordkeeping data associated with the paperless transactions. Our information will include the following details:

- Origination of the transaction (online or call center),
- Type of transaction, and
- Copies of confirmations provided to the participant.

We also provided reports containing information that clients can use for audit purposes. These reports can be accessed online at any time and we will also assist with providing additional reports if needed.

- **Describe the ability of your recordkeeping system to preclude new membership unless specifically authorized by the TDC Plan.**

Our OminDC recordkeeping system and our peripheral systems can be set to reject any new enrollments into the plan unless authorized by the TDC Plan. Enrollment options on our peripheral systems can be suppressed.

- **Describe how you will ensure your recordkeeping system will allow TDC Plan staff to modify non-financial members' records, including:**

- **Annual service credit and compensation**
- **Transferred service credit from the TRS Plan**
- **Employment history**
- **Synoptic data, including notices and flags**
- **Date of Hire and Termination**

EZLink, our web-based employer administrative tool will allow the TDC Plan staff to modify member records, including dates of hire/terminations, compensation and annual service credit (vesting), and indicative data.

- **TPA recordkeeping system must accept an outbound (CPRB to TPA) file interface daily and provide an inbound (TPA to CPRB) file interface weekly in a file format that can be easily transmitted between systems and approved by the Agency.**

ICMA-RC is highly experienced in accommodating plan sponsor needs for secure file interface. We offer a variety of secure file exchange options, including SFTP for exchanging highly confidential information and files with our clients on a recurring basis.

- **Indicate whether your record keeping system is owned by your company or subcontracted from another organization. If your company owns the system, was it originally purchased from an outside vendor? If so, from whom? Is your company allowed to modify the system? If the system was not purchased, when was it first put into place and last updated?**

ICMA-RC purchased its OmniDC recordkeeping system from SunGard, now Fidelity National Information Services Inc. (FIS). ICMA-RC uses this recordkeeping system to complete its recordkeeping functions. FIS is an industry leader in providing integrated recordkeeping



software. ICMA-RC owns the source code for the system and has full rights to customize the software as needed. ICMA-RC has a maintenance agreement with FIS for updates to the software and manages the integration of the base FIS functionality with customization that is needed for our processing environment and customers.

- **Describe any pending system changes and proposed implementation dates. If the system is subcontracted, provide details of the arrangement and the name and qualifications of the organization.**

We are constantly monitoring newer versions of the software provided by our vendors and evaluating the value and impact to our customers. We also continue to enhance the features that we offer via our recordkeeping and customer facing systems. The current enhancement initiatives are focused in the areas of improved online capabilities, reducing paper flow, improved customer communications, and new product development. Additional information will be provided as these enhancements become available.

- **How many individual defined contribution participant accounts are on your record keeping system?**

As of March 31, 2019, there are 441,446 individual defined contribution accounts (401(a) and 401(k)) on our recordkeeping system.

- **Describe in detail any specific problems you foresee incorporating the TDC Plan into your record keeping system.**

ICMA-RC does not foresee any problems incorporating the TDC Plan into our recordkeeping system. During the conversion process, we will work closely with the prior vendor and TDC to conduct multiple data integrity tests to ensure data is correct and reconciled properly.

- **Describe your company's system maintenance, back up, security and disaster recovery procedures. Are files archived and stored at an off-site location? Have procedures been tested? When did you last perform a full-scale disaster recovery test and what were the results?**

#### System Maintenance

System maintenance is typically performed on Sundays between 4:00 a.m. and 12:00 p.m. ET on an as-needed basis. ICMA-RC reserves the right to adjust the maintenance window depending upon the requirements of a specific system upgrade.

#### Systems Security

ICMA-RC is committed to providing a secure environment for all participant and plan sponsor access and data. The following briefly reviews our extensive controls for maintaining data security.

#### Software and Hardware Security

- **Local Area Network (LAN):** Operating Systems are configured to have built-in security to identify and authenticate users connecting to the LAN.
- **Mainframe:** IBM's Resource Access Control Facility (RACF) security product performs the authentication of users and provides role based security.





- **Web:** Servers providing participant and plan sponsor information are situated behind a perimeter router with Access Control Lists (ACLs), enterprise-level network firewall, and Intrusion Prevention System, and are located in the Demilitarized Zone (DMZ).
- **Laptop:** Representatives access information from their laptops for participant/plan sponsor meetings. Control is maintained by:
  - - Individual password protection of each laptop
  - - Use of multi-factor authentication and strong encryption algorithms for remote network access
  - - Separate encryption of stored data on the laptop itself for multiple layers of protection
  - - Separate authentication for access to the application that provides interface with account data

All applications employ layers of security to ensure that the users connecting to them have access only to appropriate data and functions. Network and mainframe hardware are based in secure computer rooms with restricted access and require periodic replacement of user passwords.

#### Access Security

- **User ID and Passwords:**

##### *Creating a User-ID*

When a new user registers, they must supply:

- Last four digits of their SSN (twice)
- Date of birth
- Zip code on file
- Agree to Terms and Conditions
- Verify they are not a robot by clicking the CAPTCHA checkbox

**Security Code** - If a unique participant record is found for the information supplied, a security code is sent to the participant.

- The security code is sent to the participant's email or mobile phone number on file, if they have signed up for text access. If the participant has signed up for text access, a mobile text will take precedence over email delivery. If the participant does not have an email or mobile number on file, a message will be displayed notifying the participant to call Participant Services.
- The security code will expire if too much time elapses before it is submitted. If too much time has elapsed, the participant receives an error message telling them the security code has expired and they must request a new code. Participants can use the **Request New Code** link to request a new code.

When the security code is validated the participant is presented with a page to allow them to create their user ID and password, otherwise they will receive an error message.

Upon successful completion of the process, the participant is presented with a confirmation page that includes a [click here](#) link to return to the Login page.



### ***Authentication to Account Access***

When a participant logs into Account Access, a risk score is assigned in the background that determines which type of step-up authentication is required from the participant.

- **Low** - The participant is logged in with no further authentication.
- **Medium** - The participant is sent a randomly generated security code.
- **High** - The participant is sent a randomly generated security code and is presented with Knowledge Based Authentication (KBA) questions. The participant will be required to supply the correct security code and answer the KBA questions correctly before being permitted to log into Account Access.

### ***Security Code***

- The security code is sent to the participant's email or mobile phone number on file if they have signed up for text access. If the participant has signed up for text access, a mobile text will take precedence over email delivery. If the participant does not have an email or mobile number on file, a message will be displayed notifying the participant to call Participant Services.
- The security code will expire if too much time elapses before it is submitted. If too much time has elapsed, the participant receives an error message telling them the code has expired and they must request a new code. Participants can use the **Request New Code** link to request a new code.
- The participant will have three attempts at entering a correct security code before their account will be locked.

### ***Knowledge Based Authentication (KBA) question(s)***

- Three KBAs will be displayed when required. If the participant answers at least two questions correctly, a bonus set, consisting of two additional questions, will be displayed. The participant will be required to pass the bonus questions before being permitted to proceed.
- If the participant fails the quiz the second time, they will not be permitted to proceed and the account will be temporarily locked.

Upon successful validation of the security code, the participant will be presented with their KBAs. Once they successfully answer the KBAs, they will be logged into Account Access.

### ***Password Requirements***

Passwords must be between 8 to 24 characters in length and must contain 3 of the following:

- 1 lower case character
- 1 upper case character
- 1 number
- 1 special character (.,\*,@,\_,-)

The self-selected User ID and other features such as email alerts of security related or transaction account activity provide the participant a high level of security. The system will determine if the self-selected User ID is available. If not, the system will display a message indicating the User ID is not available and to select another User ID.



### ***Transactions***

When transactions are done online, by paper, or through the Contact Center, we send e-alerts to the participant and if the participant did not request the transaction, the participant is asked to contact us.

- **Border Routers:** The border routers provide the initial line of defense. The border routers receive all Internet traffic, and the access list determines who gains access to our network. The access list permits only devices designated in our Information Security policies and standards. This configuration works in tandem with the perimeter firewalls to ensure that only authorized access is available. The perimeter firewalls only allow access to services and devices designated in our Information Security policies and standards. All other traffic is dropped.
- **Perimeter Firewalls:** ICMA-RC employs firewalls to prevent unauthorized access to ICMA-RC's internal computing environment. To enhance confidentiality and privacy to those participants and plan sponsors who request access to account information via the Internet, a browser that supports Transport Layer Security (TLS) security must be used. This security layer encrypts the information that is sent to and from ICMA-RC through the Internet, ensuring key information does not traverse the Internet in clear, readable text. Account inquiry sessions that are idle for more than 30 minutes are automatically logged off.
- **Intrusion Detection/Prevention:** ICMA-RC's perimeter intrusion detection/prevention system detects malicious network traffic and unauthorized computer usage and (for certain signatures) will block attacks. All network traffic is monitored for signs of intrusion and misuse based on attack pattern signatures. New and updated signatures are automatically downloaded and deployed. ICMA-RC monitors for events 24 x 7 x 365 and escalates as appropriate.
- **Data Integrity:** Internet-accessible servers have file integrity software for integrity monitoring. Policy rules are defined to identify key files and establish reporting rules. Integrity checks are run that show the results of any changes that violate the policy file rules. Information Security Team performs necessary steps to verify that all changes are authorized.
- **Malware Defenses:** Antimalware scanning software is implemented on all servers and workstations. ICMA-RC automatically downloads and deploys new virus signature patterns.
- **Third-Party External Vulnerability Management and External Penetration Testing:** A third-party security vendor is contracted to perform both quarterly vulnerability scanning and annual penetration testing against ICMA-RC's environment. Results are shared with appropriate parties for assessment/mitigation/remediation.
- **Data Loss Prevention (DLP):** ICMA-RC's data loss prevention system discovers the location of highly confidential data on shared network resources, monitors the data in motion or at rest, and blocks unauthorized release of data from email, mobile devices, or end-points.
- **Web Security Gateway:** ICMA-RC's Web security gateway protects and monitors all Web surfing activity from the ICMA-RC network.
- **Internal Vulnerability Management:** ICMA-RC performs weekly scans of all network devices to identify vulnerabilities. Reports are generated and shared for remediation on a weekly basis.
- **Security Event and Incident Monitoring (SEIM):** ICMA-RC's SEIM solution provides a centralized repository to capture, normalize, correlate, monitor and report for security



events/logs from business-critical network devices, security devices, applications, databases and servers.

- **Email Security Filtering:** ICMA-RC's email security system provides anti-spam and email content filtering.
- **Daily Cyber Threat Management:** ICMA-RC's Information Security Management Team meets daily to review any cyber-security issues and threats to ascertain any impact to the corporation.

### Computer Security Incident Response

ICMA-RC has a Computer Security Incident Response Plan in place to identify and quickly respond to potential security incidents. ICMA-RC's Computer Security Incident Response Plan addresses incidents with methodical, organized, and pre-planned response procedures. When an incident is reported or observed, ICMA-RC executes a "Protect and Proceed" strategy, which is designed to protect and preserve ICMA-RC's computing resources, and to re-establish normal computer operations as quickly as possible. The Plan stipulates the actions to be initiated immediately to stop the attack and its proliferation, prevent further unauthorized access, and begin damage assessment and recovery.

### Audit Reviews

ICMA-RC contracts with an external auditing firm, Ernst and Young, to perform an annual review of ICMA-RC's technology environment as a part of our SSAE 18 (SOC1) certification. ICMA-RC's Internal Audit Department also regularly reviews the security controls in our environment to ensure we are employing industry-accepted security practices.

### Enterprise Security Assessment

ICMA-RC employs a third party to test our enterprise security environment. From a series of security assessments, Management measures the effectiveness of ICMA-RC's security controls, policies, and procedures in place and identifies any issues within the current security posture. Assessments include examinations of all security components that can affect the integrity of the organization's data assets (people, processes, and technology), and takes into consideration potential attackers both with and without authorized access to the environment or physical facilities. Assessment methodology identifies both immediate technical vulnerabilities as well as issues with non-technical controls that can affect security over time.

Through regular reviews, ICMA-RC ensures its environments undergo rigorous, recurring testing and that data assets are protected from unauthorized access.

### Disaster Recovery and Back Up

ICMA-RC has a thorough Disaster Recovery Plan that utilizes the Assurance Continuity Manager software system. We utilize this system and our disaster recovery procedures through the implementation of routinely scheduled exercises. We are contracted for rigorous annual testing. Assurance contains detailed disaster recovery plans for each department within our organization, providing clear and concise



ICMA-RC is prepared with all essentials available to keep our business running in the event of a disaster.



procedures for key individuals within each department to follow. Key data points are updated in the system monthly and business area Subject Matter Experts are assigned to all plans for quarterly review, and the most recent plan update was performed in February 2019. This ensures that critical processes and access to customer systems will be available to our clients in the event of a disaster situation. The goal of our Disaster Recovery Plan is to be able to recover and resume business operations within 24 hours after a disaster declaration in response to an incident that impacts the ability to process from ICMA-RC headquarters. In the event of a disaster or emergency, ICMA-RC is well prepared with all essentials readily available to get our business up and running in the most efficient way, ultimately making the transition as seamless as possible. This provides an additional contingency level of plan sponsor and participant availability in the event of disruption to systems at our headquarters facility.

As part of our availability posture, mainframe infrastructure and priority ICMA-RC customer systems that are available via the Internet are situated in a high availability co-location facility in Vienna, VA. Additionally, plan sponsors and participants are protected during daily backups that are performed with processes developed with multi-layered security.

ICMA-RC's commitment to maintaining the security and availability of all client data is of utmost importance. Our recovery processes and resources reflect this commitment. All critical data, in all environments, is backed up daily to remote data storage facilities. Critical recordkeeping data on the mainframe is backed-up three times each business day, (twice at critical processing points, and again at the end of the processing day). Critical recordkeeping data on Microsoft Windows is replicated off-site periodically throughout the day. Our data backup and recovery software either can recover individual files, or reconstruct an entire disk volume from the latest backups. Weekly backups of full production data are also made every Friday. We have an Uninterruptible Power System (UPS) and a diesel generator on-site to ensure uninterrupted processing if power fluctuation(s) or some other failure occurs.

ICMA-RC's contracted data storage and disaster recovery facilities are certified to federal (National Archives and Records Administration and Department of Defense) standards for physical security and to the most stringent industry standard for infrastructure resiliency. The facilities are part of a select group nationwide to have received certified design approval from the Uptime Institute at the Tier III level for resilience and concurrent maintainability. Our primary recovery site for both workspace and technology is located in Germantown, MD, and a second backup recovery center is located in Gaithersburg, MD. We also have a fully operational second site located in Richmond, VA. and a robust remote access working capability.

ICMA-RC's recovery network has been engineered to eliminate single points of failure and assure continuous, robust connectivity for client access at all times. The design features multiple, diversely routed communications links connecting ICMA-RC headquarters to the recovery servers at the remote recovery site.

Our disaster recovery plan is tested annually and was last tested in November 2018. ICMA-RC's last disaster recovery exercise was conducted March 24 and March 25, and all mission critical system functionality was recovered within the recovery time objectives (RTO) defined in the ICMA-RC Business Impact Analysis (BIA).



- **Describe your system's limitations with regards to investment options, money types, transfers, rollovers, rebalancing, reporting, etc.**

#### **Investment Options**

- Maximum number of investments: 400
- Maximum number of sources: 35
- Maximum number of the combination of investments and sources within a plan: 2,400 (For example, a plan with 400 investments could have 6 sources (400 x 6 = 2,400))

#### **Money Types**

ICMA-RC's recordkeeping system can recordkeep up to 35 different money sources, but operationally we may limit a plan based on the various requirements for each source, such as vesting rules.

#### **Transfers**

Restrictions apply when a participant executes frequent trades within the same fund. When a participant's trades do not recur within the same fund (as defined below), no restrictions apply.

ICMA-RC defines frequent trading as a buy followed by a sell three times in the same fund during a 90-day period, or a buy followed by a sell 10 times in the same fund during a 365-day period. Standard participant withdrawals, contributions, and distributions are not included in the policy. In addition, some mutual fund companies define frequent trading differently, and ICMA-RC reserves the right to enforce those guidelines.

If frequent trading and/or market timing activity is detected in a participant account, ICMA-RC may communicate with investors either over the phone or in writing about their trading activities in an effort to deter such activities. If such communications fail to deter the frequent trading activity, further action may be taken on the account such as restricting future purchases in the account.

ICMA-RC's aim is to monitor and enforce this frequent trading policy consistently to avoid additional transaction costs that could dilute the long-term performance of the Fund.

#### **Rollovers**

Rollovers from another plan are accepted at any time and are invested when both the participant's rollover form and money are received in good order.

#### **Rebalancing**

Automatic rebalancing is available to participants using Account Access or via the Contact Center. In Account Access, participants can sign up for automatic rebalancing via the Fund Transfer menu. This page also allows participants to transfer current assets into one or more funds, change future allocations and setup automatic rebalancing to newly created or current allocations. When signing up for automatic rebalancing, participants choose to rebalance quarterly, semi-annually, or annually.

#### **Reporting**

ICMA-RC's report frequency is as follows:



| Report/Transaction   | Service Standard   |
|--|--|
| <b>Quarterly reports (plan sponsors and plan participants)</b>       | Available within 12 business days following quarter end. |
| <b>Annual reports (plan sponsors)</b>                                | Presented at least annually.                             |
| <b>Initial contribution allocations (plan sponsors)</b>              | Available online 24/7 in our plan sponsor website        |
| <b>Ongoing contribution allocations (plan sponsors)</b>              | Available online 24/7 in our plan sponsor website        |
| <b>Enrollments and investment option changes (plan participants)</b> | Available online 24/7 in our plan sponsor website        |
| <b>Distributions (plan participants)</b>                             | Available online 24/7 in our plan sponsor website        |
| <b>Loans (plan participants)</b>                                     | Available online 24/7 in our plan sponsor website        |

**Vesting**

ICMA-RC is capable of administering the vesting schedule specified by the employer when the 401 plan is established, and we will ensure participants receive only the amounts to which they are entitled when they withdraw funds from their accounts. Our platform allows for a maximum of two separate vesting schedules, based on date of hire, and we will add applicable service to rehired participants for the purpose of calculating their vesting status. Employers may be asked to confirm a participant’s vesting status before an account is paid out.

**4.2.1.1.3 TPA shall administer at least one governmental defined contribution plan with assets of at least \$500 million and of similar complexity as the TDC Plan, and**

Confirmed.

- **Complete the following charts using data as of December 31, 2018:**
  - **By plan type, list the percentage of total business based upon assets under management:**

Data as of March 31, 2019

| PLAN TYPE      | FULL SERVICE | INVESTMENT ONLY | ADMINISTRATION ONLY |
|----------------|--------------|-----------------|---------------------|
| Govt'l 401a DC | 20.8%        | Less than 1%    | Less than 1%        |
| 457            | 68.3%        | 2%              | Less than 1%        |
| 403(b)         | 0%           | 0%              | 0%                  |
| 401(k)         | 2.5%         | Less than 1%    | 0%                  |

▪



▪ **By plan type, list the number of clients:**

Data as of March 31, 2019

| PLAN TYPE      | # PRIVATE SECTOR CLIENTS |                 | # PUBLIC SECTOR CLIENTS |                 |
|----------------|--------------------------|-----------------|-------------------------|-----------------|
|                | SUPPLEMENTAL BENEFIT     | PRIMARY BENEFIT | SUPPLEMENTAL BENEFIT    | PRIMARY BENEFIT |
| Govt'l 401a DC | N/A                      | N/A             | N/A                     | 2,132           |
| 457            | N/A                      | N/A             | N/A                     | 4,715           |
| 403(b)         | N/A                      | N/A             | N/A                     | 0               |
| 401(k)         | N/A                      | N/A             | N/A                     | 42              |

▪ **By plan type, indicate the assets under management:**

Data as of March 31, 2019

| PLANTYPE       | ASSETS OF \$0 - \$100 MILLION | ASSETS OF \$100- \$500 MILLION | ASSETS OF \$500 MILLION - \$1 BILLION | ASSETS OF \$1 BILLION PLUS |
|----------------|-------------------------------|--------------------------------|---------------------------------------|----------------------------|
| Govt'l 401a DC | 2,120                         | 10                             | 1                                     | 1                          |
| 457            | 4,663                         | 47                             | 3                                     | 2                          |
| 403(b)         | 0                             | 0                              | 0                                     | 0                          |
| 401(k)         | 38                            | 4                              | 0                                     | 0                          |

▪ **By plan size, indicate your number of clients:**

Data as of March 31, 2019

| Plan Size by Participants | GOVERNMENTAL DEFINED CONTRIBUTION PLANS* | 457PLANS |
|---------------------------|--|----------|
| Under 5,000               | 2,168                                    | 4,707    |
| 5,000 to 9,999            | 1  | 3        |
| 10,000 to 24,999          | 0  | 1        |
| 25,000 and over           | 4  | 4        |
| Total                     | 2,173                                    | 4,715    |

\*Includes all 401 plan types

**4.2.1.1.4 TPA should provide sufficient security to protect Plan data in transit, storage and cache. In the event of any unauthorized breach/access, theft or release of Plan data, immediately notify the Agency.**

- **Describe your Firm's and any proposed sub-servicers and/or sub-contractors data security systems.**





ICMA-RC is committed to providing a secure and confidential environment for participant data, transactions, and account history. Security systems are in place for our network systems and for the voice response system. Our extensive controls for maintaining data security include the following areas:

- Software and Hardware Security (Microsoft Windows, Mainframe, Web, and Laptop)
- Access Security (User ID, Passwords and Security Codes, External Router, Firewall, Intrusion Detection, Tripwire, and Virus Scanning)
- Computer Security Incident Response
- Audit Reviews
- Enterprise Security Assessments

A full description of our data security systems is located in Section 4.2.1.1.2 of this response.

ICMA-RC is not aware of any breaches to our systems. Should an incident occur, ICMA-RC has a Computer Security Incident Response Plan in place to identify and quickly respond to potential security incidents. ICMA-RC's Computer Security Incident Response Plan addresses incidents with methodical, organized, and pre-planned response procedures. When an incident is reported or observed, ICMA-RC executes a "Protect and Proceed" strategy, which is designed to protect and preserve ICMA-RC's computing resources, and to re-establish normal computer operations as quickly as possible. The Plan stipulates the actions to be initiated immediately to stop the attack and its proliferation, prevent further unauthorized access, and begin damage assessment and recovery.

Our corporate policy is to provide notice consistent with all applicable state laws regarding the protection of personal information used or maintained by ICMA-RC in the course of its business.

We want you to be confident that your employees' retirement investments are safe and secure. Please see our ICMA-RC Security Guarantee Handout, included in the **Appendix**, for a description of the ICMA-RC Security Guarantee, which includes reimbursing participants for losses from their ICMA-RC accounts that are the result of unauthorized activity and the steps to ensure protection through this guarantee.

#### **Use of Credit Monitoring Services**

Upon a determination that a breach of Personally Identifiable Information has occurred, ICMA-RC will make all reasonable efforts to assist covered individuals with protection against the risk of unauthorized use of their identity with respect to other financial institutions. Credit monitoring services offer significant help toward this end. If, as determined by ICMA-RC's Privacy Compliance Committee, ICMA-RC has caused the breach incident, ICMA-RC will contact the participant, and if it has been determined credit monitoring services will be offered, ICMA-RC will pay all reasonable costs in connection with such services. ICMA-RC's Privacy Compliance Committee will also determine the appropriate period of time that credit monitoring services will be provided. As a general rule, we offer credit monitoring services for a period of one year, but would consider alternatives (either shorter or longer) depending upon the circumstances of a specific event. Experian Consumer Direct Breach Response Management can be used to provide such services.

#### **4.2.1.1.5 TPA should notify the Agency immediately (within 1 business day) of the termination or reassignment of personnel who are primary contacts for the Agency.**

ICMA-RC agrees and will comply with the Agency's requirement to notify them within one business day of the termination or reassignment of personnel designated as primary contacts to you.



**4.2.1.1.6 It is preferred that the TPA make an annuity shopping service available with a minimum of three (3) vendors. The TPA should use its best efforts to provide replacement vendors within one hundred and eighty (180) days. There will not be a default vendor. The Participant must select the vendor. Further, the TPA should provide the TDC Plan with procedures to follow in purchasing annuities with all vendors within the annuity shopping service.**

Confirmed. ICMA-RC offers an Income for Life program comprised of two outside providers (MetLife and Pacific Life). In addition, ICMA-RC makes available VT Retirement IncomeAdvantage Fund, a guaranteed minimum withdrawal benefit with guarantees provided by Prudential, inside the plan. Between these solutions, participants will have three options for creating a lifetime income stream. ICMA-RC is open to adding additional providers to meet the Plan Sponsor's requirement.

**4.2.1.1.7 In responding to this Request for Proposal, provide options/proposals for all administrative cost recovery (including Agency Costs and TPA Vendor Fees) from the activity of the TDC Plan. The costs to be considered for recovery include the anticipated TPA costs (for responding to this requirement assume that TPA fees will be \$600,000/year and \$400,000/year for Agency operational costs with an assumed annual inflationary rate of 5%. Please provide discussion/explanations of the options and the relative advantages and disadvantages. Do not quote dollar amounts in the response to this table. Only quote dollar amounts in the cost proposal. At a minimum, your discussion should include the following options:**

| Option               | Detailed Description                         | Advantages/ Disadvantages   | Investment Options Recommended for Revenue Sharing* |
|----------------------|--|---|---|
| 1 Quarterly Flat Fee | Per-head fees are charged per-account basis. | <p>A key advantage to this approach is that the quarterly flat fee provides plans with a pre-determined annual cost for administering the plan that does not vary from year to year.</p> <p>Furthermore, this approach follows industry best practices and allows for easy determination of the fees associated with the Plan. By ensuring that your participants have access to a low, pre-determined price, the Agency is fulfilling its fiduciary duties to the plan and ensuring that all associated fees are disclosed.</p> <p>A disadvantage of this approach is that participants with smaller account balances may be more impacted than those with larger account balances because the fee represents a proportionately larger portion of their balance.</p> | N/A   |



| Option   | Detailed Description   | Advantages/ Disadvantages  | Investment Options Recommended for Revenue Sharing*  |
|--|--|--|--|
| <b>2 Quarterly Asset-Based Fee</b>   | ICMA-RC can accommodate a uniform asset-based fee at the participant level.  | <p>The advantage to this approach is that it follows industry best practices and allows for easy determination of the fees associated with the Plan.</p> <p>A disadvantage of this approach is that participants with larger account balances may be more impacted than those with smaller account balances because the fee they pay is proportionately larger than those paid by participants with smaller balances.</p> <p>Another disadvantage to this approach is that as the value of plan assets fluctuate so too will the fees paid by the participants.</p>  | N/A  |
| <b>3 Combination of Option 1, above, and revenue sharing from specific investment options</b>    | <p>Ultimately, the Detailed Description would depend on the makeup of the final fund lineup.</p> <p>The Employer or consultant can implement a fund lineup comprised of funds that offer revenue sharing.</p> <p>If this doesn't cover necessary plan expenses, ICMA-RC can implement a flat per participant fee to cover the shortfall.</p> | <p>An advantage of this approach is that it could lower the per-head fee charged to individual participants.</p> <p>A key disadvantage associated with the use of revenue sharing is that participants may not be aware of all of the fees they are being charged and the fees may not be equal across all funds.</p> <p>In addition, according to 2018 data provided by NAGDCA, a minority of governmental plan sponsors are utilizing revenue sharing as a component of their fee structure. As of 2018, only 20.5% of governmental plan sponsors were using revenue sharing.</p>  | Please see attached Fund Lineup Data spreadsheet in the Cost Proposal <a href="#">Appendix</a> . |
| <b>4 Combination of Option 2, above, and revenue sharing from appropriate investment options</b> | <p>Ultimately, the Detailed Description would depend on the makeup of the final fund lineup.</p> <p>The Employer or consultant can implement a fund lineup comprised of funds that offer revenue sharing.</p> <p>If this doesn't cover necessary plan expenses, ICMA-RC can implement a quarterly based fee to cover the shortfall.</p>      | <p>An advantage of this approach is that it could lower the asset-based fee charged to individual participants.</p> <p>Another advantage of this approach would be that excess revenue could be generated that the Agency could use to defray participant costs for services associated with saving for their retirement.</p> <p>A key disadvantage associated with the use of revenue sharing is that participants may not be aware of all of the fees they are being charged and the fees may not be equal across all funds.</p> <p>In addition, according to 2018 data provided by NAGDCA, a minority of governmental plan sponsors are utilizing revenue sharing as a component of their fee structure. As of 2018, only 20.5% of governmental plan sponsors were using revenue sharing.</p> | Please see attached Fund Lineup Data spreadsheet in the Cost Proposal <a href="#">Appendix</a> . |
| <b>5 Other recommendations</b>   | N/A  | N/A  | N/A  |



#### 4.2.1.2 Customer Service, Communication and Education

##### 4.2.1.2.1 TPA should provide a customer service center with toll-free telephone service and appropriate staffing.

- **Describe your customer service center, its location, number of operators and representatives, structure and hours.**

Our Contact Center is structured into manageable units to ensure expertise and availability to our clients.

Contact Centers are located at ICMA-RC's corporate headquarters in Washington, DC, Richmond, VA, and at a plan-specific site in Jefferson City, MO. For contingency purposes, all full-time associates have the ability to work remotely. Representatives are available from 8:30 a.m. to 9:00 p.m. Eastern Time Monday through Friday on New York Stock Exchange days.

We currently have 65 full-time Participant Services representatives in the Contact Center. An additional staff of 75 ICMA-RC associates are available during peak periods of demand to ensure necessary coverage, and to provide consistent, high-quality service.

ICMA-RC Participant Services Representatives have immediate online access to plan data and participant account information. They can answer employees' questions about:

- Investment education
- Plan Guidelines
- Account balances
- Loans
- Form Assistance
- Fund Transfer and Asset Allocation Changes
- General Account Transactions
- Benefit payments and tax withholding
- Website Assistance

Upon request by participants, Participant Services Representatives can reallocate contributions, and transfer assets between funds.

**TDD Line:** A toll-free TDD line is available for hearing-impaired participants. To access account information, the participant dials the TDD line and keys in the inquiry. A Participant Services Representative answers by typing in a response.

**Help in Spanish:** Spanish-speaking participants can access the Spanish-language version of our Self-service phone line and can be transferred to bilingual Participant Services Representatives, should the need arise. Translation services are available for participants who require assistance in languages other than English and Spanish.

- **Discuss where recordkeeping and administrative services for the Plan will be processed.**

Our administrative services are provided primarily at headquarters in Washington, DC with Richmond, VA as a secondary location.

- **Discuss the security procedures you use at your customer service center to authorize transactions that the participant makes over the phone or via the internet.**



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Callers to our Voice Response System are identified by the phone number from which they are making the call (Automatic Number Identification – ANI). If there is a match of the telephone number to an existing account, callers must then enter their personal identification number (PIN). If there is no match of the telephone number to an existing account on file or if the number matches multiple accounts, callers will be prompted to enter their SSN followed by their PIN. Following successful entry of their credentials, callers can access their account information.

The last four digits of a participant's Social Security number are assigned as a default PIN upon enrollment in the plan. When accessing the VRS for the first time, the participant must enter the default PIN in addition to the year of birth to verify their identity. If this data is entered correctly, the participant is then able to create a new PIN. For security reasons, participants are allowed to change their PIN only once every 24 hours. In the event that a participant forgets their PIN, the participant's call will be sent to a Participant Services Representative who will reset it to the default PIN after verifying the participant's information.

Our system utilizes Computer Telephony Integration so that if a participant is identified and is then transferred to a Participant Services Representative, the Client Information System will show all of the participant's accounts at ICMA-RC, along with the options they were using in the Voice Response System prior to the transfer. Participants who call a Participant Services Representative are asked specific information to validate their identity. If the caller responds to the questions correctly, the representative will provide account information and process requested transactions. If the Participant Services Representative believes that the individual may be attempting to gain unauthorized access to the account, the representative offers to call the individual back at their home or office, using the numbers stored in our system. ICMA-RC uses technology to assist with fraud detection through the Contact Center and the agent is alerted to high risk calls.

Applications for any withdrawal cannot be processed through the Contact Center. Participant Services Representatives will provide guidance and information regarding the withdrawal provisions and any special instructions that the client wants to communicate to the participants. Applications for withdrawals require the completion of a form and applicable documentation supporting their request.

Beneficiary selections and updates to date of birth information can be submitted online.

- **Discuss the procedures for edits of transactions received by customer service center representatives and if they are performed "real-time." Provide sample report.**

All transactions performed by our customer service center representatives are real-time transactions. Transactions are entered through out front-end systems and edits are performed during data entry and throughout the day. These edits include a review of plan and participant numbers, plan-level restrictions, dates, and transaction viability. These front-end system queries provide immediate, online error messages. Our core recordkeeping OmniDC system edits all transactions several times each day. Discrepancies are listed in reports generated by the system and are investigated and resolved by the appropriate unit prior to day-end processing.

Transactions undergo a series of four reviews designed to ensure the accuracy and integrity of information entered into the OmniDC system.

- **Level 1:** Associates processing transactions self-review their work for completeness, validity and accuracy.



- **Level 2:** A risk-based sampling methodology is employed to select transactions for peer review by another associate to verify that transaction information entered is consistent with the supporting documentation and plan specifications.
- **Level 3:** Each unit performs a higher-level review several times during the day, when the OmniDC edit reports are run. These reports are reviewed for rejected transactions, which are researched and corrected immediately.
- **Level 4:** The reviewer ensures that all units have completed their Level 3 reviews before authorizing the start of the posting cycle in the recordkeeping systems.

A sample Level 3 Reconciliation Report template is included in the [Appendix](#).

- **Discuss how customer service center representatives will be supporting the TDC Plan, including the number of representatives quoted as full time equivalents. Indicate why you believe this is an adequate number to properly administer the TDC Plan. Will these people be solely dedicated to the TDC Plan? If not, discuss how this will be handled.**

There are 65 full-time Participant Services Representatives in the Contact Center trained to answer potential calls from approximately 1 million participants. We have approximately 75 additional ICMA-RC representatives trained to support the Contact Center during high peak volumes throughout the year.

Contact Center representatives are not dedicated solely to a specific employer's plan. All Participant Services Representatives will be trained on TDC's plan and prepared to address participant questions and implement participant transactions. Information regarding customized requirements of TDC's plan is instantly available to ICMA-RC's Participant Services Representatives online as they take calls. We have found that this approach provides personal customized service to our clients while managing the appropriate number of resources necessary to provide consistent, high-quality service during periods of high call volume.

- **Discuss how long, on average, it takes your company to respond to participant requests in writing, over the telephone and via the internet. Include a discussion on how you monitor response time and quality of the response and your commitment to the Agency regarding response time.**

Participant Services Representatives respond to most participant inquiries immediately on the first call over the phone. ICMA-RC's standard for inquiries requiring research is to provide a phone response within one business day and to provide a written response (if necessary) within three business days.

Inquiries involving an account adjustment are handled by operations personnel. Our corporate policy is to resolve issues within 10 business days. The average turnaround is approximately seven business days. The turnaround for resolution of each issue varies depending upon the complexity of the situation.

ICMA-RC is 100% dedicated to providing superior customer service through our participant Contact Center by monitoring calls and providing training opportunities that focus on ways to encourage stellar customer service. We monitor calls as a component of training for ongoing quality assurance and to maintain consistency within the Contact Center. We monitor live calls and 5 recorded calls per associate on a monthly basis using our digital voice recording platform. Supervisors can also monitor representatives by viewing screen capture images of the computer programs that the representative uses to complete transactions and inquiries for the participants.



Phone activity of Participant Services representatives are reviewed regularly by Contact Center supervisors to ensure timely customer responses regarding talk and hold times and to maintain appropriate service levels.

Following are the quality standards for the Contact Center:

- Quality standard for answering Contact Center calls: 80% of calls answered within 60 seconds.
- Quality standard for call abandonment rate: Under 4%.
- Quality standard for amount of time to call back with status on issue: 48 hours.
- Quality standard for amount of time for issue resolution: 10 business days.
- **Describe your customer service staffing plan to deal with peak volume such as after the issuance of participant statements or a plan change.**

In addition to the 65 full-time Participant Services Representatives in the Contact Center, we also have more than 75 ICMA-RC associates who are trained on an ongoing basis to handle participant calls. The additional associates regularly assist with answering participant calls during peak periods throughout the year.

- **Describe the toll-free telephone system you will provide and the interface that employees without touch telephone service will receive.**

Our Voice Response System (VRS) allows participants to access account information 24 hours a day. This system has built-in redundancy so that if the primary site goes down, a back-up site is used to provide uninterrupted service. Through the VRS, participants can:

- Obtain information on account balances, receive balances by fund and source, and request statements.
- Obtain detailed loan information including outstanding loan balance, payment, next payment date, interest rate, and pay off date.
- Listen to customized messages with timely information or alerts regarding their account.

Participants without touch-tone service may simply stay on the line to reach a Participant Services Representative.

- **Do representatives have direct access to the record keeping system?**

Yes.

**If a participant exits your voice response system with a problem, how do operators monitor the progress of the attempted transaction?**

Participant Services Representative can view pending transactions submitting online. In addition, Participant Services representatives have instant access to view a participant's account online in order to walk them through how to locate information and submit a transaction online.

- **Describe the types of transactions your operators are permitted to accept from participants verbally and via the internet.**

Participant Services Representatives have immediate online access to plan data and participant account information. They can answer employees' questions about:



- Investment education
- Plan Guidelines
- Account balances
- Loans
- Form Assistance
- Fund Transfer and Asset Allocation Changes
- General Account Transactions
- Benefit payments and tax withholding
- Website Assistance

Upon request by participants, Participant Services Representatives can reallocate contributions, and transfer assets between funds.

All core transactions (enrollments, contribution allocations, contribution deferral changes, and fund transfers) can be accommodated online. Disbursements for participants who have separated from service can be done online. Qualified Domestic Relations Orders (QDROs) cannot be completed by phone or the Internet.

**Are participant calls recorded?**

Yes. All calls received by ICMA-RC’s Participant Services Contact Center are recorded. We store calls digitally, and they can be retrieved as we need them. Based on our retention policy, calls are archived for up to two years.

- **Discuss options for persons with disabilities, including available language services other than English and Telecommunication Devices for the Deaf (TDD) services.**

**TDD Line:** A toll-free TDD line is available for hearing-impaired participants. To access account information, the participant dials the TDD line and keys in the inquiry. A Participant Services Representative answers by typing in a response.

**Help in Spanish:** Spanish-speaking participants can access the Spanish-language version of our self-service phone line and can be transferred to bilingual Participant Services Representatives, should the need arise. Translation services are available for participants who require assistance in languages other than English and Spanish.

- **Provide the following statistics for your participant toll-free service line for the periods shown:**

|  | Calendar Year 2017 | Calendar Year 2016 |
|--|--------------------|--------------------|
| Quality standard for Voice Recognition System (VRS) answer time in number of seconds | 2-4                | 2-4                |
| Average actual VRS answer time in number of seconds                                  | <2                 | <2                 |
| Quality standard for VRS downtime (% of hours per month)                             | 0.50%              | 0.50%              |
| Average actual VRS downtime (% of hours per month)                                   | 0.04%              | 0.13%              |





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|  | <b>Calendar Year 2017</b>   | <b>Calendar Year 2016</b>   |
|--|---|---|
| <b>Quality standard for service representative downtime (% of available hours per month)</b>         | <0.5%   | <0.5%   |
| <b>Actual standard for service representative downtime (% of available hours per month)</b>          | <0.1%   | <0.1%   |
| <b>Quality standard for participant Internet downtime (% of hours per month)</b>                     | 0.10%   | 0.10%   |
| <b>Average actual participant Internet downtime (%) of hours per month</b>                           | 0.03%   | 0.15%   |
| <b>Number of calls handled by VRS</b>  | 948,896   | 974,030   |
| <b>Number of calls received by service representative</b>  | 566,880   | 565,465   |
| <b>Number of Service Representatives</b>   | 67  | 64  |
| <b>Number of participants served by service representatives</b>                                      | Approximately 1 million   | Approximately 1 million   |
| <b>Quality standard for number of participants per service representative</b>                        | N/A   | N/A   |
| <b>Quality standard for minutes per day that a service representative is on the phone</b>            | 450 minutes   | 450 minutes   |
| <b>Actual standard for minutes per day that a representative is on the phone</b>                     | 383 minutes   | 383 minutes   |
| <b>Quality standard for number of seconds on hold while call transfers to service representative</b> | An average of 45 seconds or less annualized and in aggregate for the Contact Center | An average of 45 seconds or less annualized and in aggregate for the Contact Center |
| <b>Average actual number of seconds on hold while call transfers to service representative</b>       | 43 seconds  | 44 seconds  |
| <b>Quality standard for call abandonment</b>   | <4%   | <4%   |
| <b>Actual call abandonment rate</b>  | 2.90%   | 3.02%   |
| <b>Quality standard for amount of time to call back with status on issue</b>                         | 48 hours  | 48 hours  |
| <b>Average actual amount of time to call back with status on issue</b>                               | 24-48 hours   | 24-48 hours   |
| <b>Quality standard for amount of time to handle issue resolution</b>                                | 10 business days  | 10 business days  |
| <b>Actual average amount of time to handle issue resolution</b>                                      | 24-48 hours   | 24-48 hours   |



|  | Calendar Year 2017   | Calendar Year 2016   |
|--|--|--|
| <b>Frequency each service representative's calls are monitored by qualified supervisor</b> | We monitor live calls and 5 recorded calls per associate on a monthly basis using our digital voice recording platform | We monitor live calls and 5 recorded calls per associate on a monthly basis using our digital voice recording platform |
| <b>Number of calls monitored by supervisor at frequency given above</b>                    | 5 or more  | 5 or more  |
| <b>Number of internet hit received</b>   | 9,116,415  | 8,363,282  |
| <b>Number of participants with Internet access</b>   | 294,288  | 225,823  |

- **Confirm your company's ability to provide:**
  - **Average Speed of Answer (ASA) guarantee that 95% of calls are answered within 90 seconds of the first ring.**  
Confirmed
  - **Busy Rate guarantees that less than .3% of calls receive a busy signal.**  
N/A. Our IVR does not use a busy signal.
  - **Abandoned Call Rate - guarantee that less than 2% of calls are not answered.**  
Less than 5% of calls will be abandoned.

**4.2.1.2.2 TPA should conduct on-site and one-on-one education and counseling. At a minimum, each member must be contacted at least once per year and offered a one- on-one education and counseling session.**

The dedicated ICMA-RC Retirement Plans Specialist will perform group and one-on-one meetings throughout the State, maintain blocks of time for pre-scheduled meetings, and keep a schedule for those meetings. ICMA-RC's online Event Registration scheduling tool will allow the Agency's participants to sign up for individual and group meetings and give all employees equal access to this important resource. In addition, your CERTIFIED FINANCIAL PLANNER™ professional will be on site once a month for first six months of the contract and quarterly thereafter.

- **Describe your communication and education services generally.**

**Initial Communication and Education**

ICMA-RC will meet with you to discuss an education strategy for the plan. We will focus on a seamless transition for all employees to provide education on the enhancements being made to the plan.

To make informed decisions, your employees need a thorough understanding of the plan and the services available. We have significant experience in conducting group seminars to educate current and retired participants on the features and benefits of their retirement program. Our group presentations include:

- An introduction to ICMA-RC
- Description of the participant support services available
- Introduction of the technologies available to the plan



- Discussion of the effect plan changes may have on the overall retirement planning process
- Review of transition process and timeline

Your dedicated Retirement Plans Specialist will conduct specialized group transition presentations for terminated participants and individuals in distribution, if applicable. This professional will provide an overview of our telephone services, website, and most importantly, the transition of benefit payments from the prior administrator to ICMA-RC. ICMA-RC representatives, via toll-free telephone, will be available to respond to employee questions during the transition shortly after we receive a file of all eligible employees.

### Ongoing Communication and Education

The ultimate success of your program will be measured by the added retirement benefit achieved by employees participating in your plan. A clear, concise, and dynamic educational program, including group meetings, individual educational meetings, innovative technology, and periodic publications, is essential to help participants become informed investors.

Your Retirement Plans Specialist, will provide customized seminars to meet both the specific requirements of your plan and the needs of each employee. ICMA-RC's on-site education seminars include information about effective investing, selecting mutual funds, portfolio management, and managing investment risk. In addition, we provide information on how to read your statement and newsletter and how to navigate through our website. We also provide specialized seminars for distribution options, self-directed brokerage account investing, and other topics.

Before and after group meetings (and by appointment), your Retirement Plans Specialist will meet with participants who have questions on plan features, or wish to discuss their retirement planning concerns.

Our representatives offer individual educational meetings that allow your participants to ask questions about their specific retirement issues and needs. We utilize the Retirement Roadmap, a comprehensive set of tools and educational materials to guide one-on-one participant meetings, which complement ICMA-RC's extensive, participant-focused digital resources. ICMA-RC representatives use the Retirement Roadmap to deliver enhanced planning capabilities to all plan participants, while also allowing them to tailor meetings to participants' career stages and financial concerns. Typically, these sessions include:

- **Personalized Education.** Your ICMA-RC representative will assist employees with comprehensive retirement planning.
- **Illustrations.** Benefit and tax-savings illustrations are based on the participant's age, salary, employee pre-tax deferral rate (if applicable), amount required at retirement, and disbursement schedule. These personalized meetings demonstrate the effects that various contribution and investment allocation scenarios can have on potential benefits. All benefit illustrations can be printed in hard copy for employees' records.
- **Investment Education.** The representative will provide investment education to assist employees as they determine which options, investment strategies, or resources are best for them, given their level of risk tolerance and time horizon until retirement.

Your employees would have the option of completing enrollment forms during individual educational meetings with our Retirement Plans Specialist or by using our print-on-demand enrollment kit. At the discretion of the Agency, enrollment materials can be left on-site for employees to review and enroll.



### In-Depth Financial Planning Seminars and Services

We offer financial planning educational services provided by Nancy Lange, a regional CERTIFIED FINANCIAL PLANNER™. The CERTIFIED FINANCIAL PLANNER™ conducts in-depth group seminars and workshops on essential financial management skills. Your CERTIFIED FINANCIAL PLANNER™ professional, will also provide one-on-one financial planning meetings and written financial plans to participants who chose to use this service.

- **Provide samples of the visual and demonstrative aids that your company would prepare to communicate the TDC Plan as well as sample forms. Also provide samples of the general communication materials that you will distribute on a regular basis to employees and make generally available to employees. These should include investment performance information (including comparative information to benchmarks), plan description booklets, information on retirement planning, payout distribution, quarterly statements, and quarterly statement stuffers.**

Copies of the following materials are provided in the [Appendix](#):

#### Educational Publications

- **Get to Know Your 401 Plan** provides an overview of the benefits of participating in a defined contribution plan.
- **Charting Your Course** is a comprehensive series of brochures that help participants set savings goals based on estimated retirement expenses and assets. This series also covers investment principles for long-term goals, such as retirement.
- **Investment Option Sheets** list the investment options available in your plan that are administered by ICMA-RC and describe each fund's objective, strategies, and risks.

#### Newsletters and Statements

- **Quarterly News**, our quarterly participant newsletter, discusses investment performance, market trends, new plan features and services, regulatory developments, and other issues.
- **Quarterly Statements** of account activity show contributions, investment performance, disbursements, and fund transfers, as well as beginning and ending account balances.

#### Transactional Publications

- **Employee Enrollment Kit** – provides plan highlights as well as information about the plan's funds, website, voice response unit/ contact center, general investment principles, and forms that participants need to enroll in the plan. Our dynamically generated, print-on-demand (POD) enrollment kits make ordering up-to-date kits and enrollment forms on an ongoing basis more convenient than ever.
- **Benefit Withdrawal Packet** – provides information about plan disbursements and includes all of the forms participants need for arranging their payments with ICMA-RC.

#### Flyers / Statement Stuffers

- **Control What You Can Flyer** – Provides tips for achieving savings goals and encourages participants to contact the Retirement Plans Specialist.
- **Online Enrollment Flyer** – Demonstrates how easy it is to enroll in the plan.
- **My Financial Future Matters Flyer** – Provides links to instructional videos and calculators to help boost participant savings.



- **Discuss the ability of your customer service representatives to answer participant questions on investment alternatives and provide participants with estimated retirement benefits.**

Our representatives offer individual on-site educational meetings that allow your participants to ask questions about their specific retirement issues and needs. Our Retirement Plans Specialists utilize the Retirement Roadmap, a comprehensive set of tools and educational materials to guide one-on-one participant meetings, which complement ICMA-RC's extensive, participant-focused digital resources. ICMA-RC representatives use the Retirement Roadmap to deliver enhanced planning capabilities to all plan participants, while also allowing them to tailor meetings to participants' career stages and financial concerns. Typically, these sessions include:

- **Personalized Education.** Your ICMA-RC representative will assist employees with comprehensive retirement planning.
- **Illustrations.** Benefit and tax-savings illustrations are based on the participant's age, salary, employee pre-tax deferral rate (if applicable), amount required at retirement, and disbursement schedule. These personalized meetings demonstrate the effects that various contribution and investment allocation scenarios can have on potential benefits. All benefit illustrations can be printed in hard copy for employees' records.
- **Investment Education.** The representative will provide investment education to assist employees as they determine which options, investment strategies, or resources are best for them, given their level of risk tolerance and time horizon until retirement.

### The Retirement Roadmap

The Retirement Roadmap entails ICMA-RC's three RealizeRetirement® stages — engage, build, and realize — based on where participants are in their careers:

- **Engage** is designed for someone not yet enrolled in the plan. It offers information about the benefits of tax-deferred savings and an introduction to retirement plan features. Calculators show participants the cost of delaying to save, growth of savings over time, how small changes in savings rates can add up and estimated savings based on participants' current paycheck.
- **Build** focuses on assessing how well mid-career participants are doing at meeting their retirement savings goals now, and how they could close any gaps by increasing contributions or applying more effective investment strategies. Calculators depict the potential growth of savings over time, the impact of changes in contributions, a paycheck calculator, and a Roth analyzer, which helps determine whether a Roth IRA would be beneficial.
- **Realize** assists participants who are at or near retirement, as well as those who are already enjoying retirement. It helps participants determine whether they're ready for retirement and offers group and one-on-one consultations on income replacement and withdrawal strategies during retirement.

### Contact Center

Our Participant Services representatives assist participants as they make contribution, investment, and withdrawal decisions by describing investment options and explaining distribution choices. They use customized illustrations to describe the potential results of contribution increases, investment allocation decisions, and payout choices.



Our Participant Services Representatives are not permitted to give investment advice, but rather educate participants as they make investment and withdrawal decisions.

Please note that ICMA-RC's **Guided Pathways<sup>®</sup> Advisory Services<sup>1</sup>** program, a comprehensive suite of investment advisory and planning services, provides the appropriate level of assistance to your employees based on how involved they want to be in their retirement investing decisions.

Employees will have access to Guided Pathways<sup>®</sup> Advisory Services through our website.

In addition, we also provide a wealth of savings and retirement planning information and tools through our RealizeRetirement<sup>®</sup> site.

- **Describe the materials or other support you will provide to educate participants about the use of your company's customer service center.**

During orientation and enrollment, ICMA-RC's Retirement Plans Specialist will provide information on how to contact the Participant Services Representatives in our toll-free Contact Center. Furthermore, as part of the standard one-on-one and group meetings, the Retirement Plans Specialist is trained to remind participants that they can obtain information about, and interact with, their accounts via the Contact Center.

With regard to educational materials most flyers, newsletters, and other standard materials have the phone number for the Contact Center located on them. Furthermore, our transition and ongoing websites also remind participants that the contact center is available to them.

ICMA-RC would be happy to discuss the development of educational materials for the Agency that specifically address the benefits of utilizing the Contact Center.

- **Describe any alternative education methods or resources you can offer to the TDC Plan participants (such as presentations on DVDs, on-line training, e-learning, etc.).**

Our core objective is to help participants build retirement security. Our strategy for meeting this objective is to provide user-friendly information to your employees over a wide variety of channels and media, including in-person education, printed media, online resources, mobile access, social media, videos, and phone support.

We understand the importance of providing participants with educational resources that are convenient, easily accessible, and accommodate different learning styles and career stages. As such, we have developed the following robust selection of educational media that are designed to provide the information that participants need:

- **In-Person Education.** Your Retirement Plans Specialist will conduct on-site group educational meetings to encourage participation and increased contributions as well as enhance the investment knowledge of your employees.
- **Printed Media.** ICMA-RC will provide a wide array of communication materials designed to educate Agency participants regarding retirement planning, investment principles, and plan features.

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<sup>1</sup> Investment advice and analysis tools are offered to participants through ICMA-RC, a federally registered investment adviser. Investment advice is the result of methodologies developed, maintained and overseen by the Independent Financial Expert, Morningstar Investment Management LLC. Morningstar Investment Management LLC is a registered investment advisor and subsidiary of Morningstar, Inc. Morningstar, Inc. and Morningstar Investment Management LLC are not affiliated with ICMA-RC. All rights reserved. The Morningstar name and logo are registered marks of Morningstar, Inc.



- **Online Resources.** Employees will have online access to a suite of educational tools, including multiple financial planning calculators<sup>1</sup>, investment advice from Morningstar Investment Management LLC<sup>2</sup>, a library of articles, access to ICMA-RC educational publications, and a glossary of public sector retirement plan, investment, and financial terms.
- **Mobile Access.** Our mobile app, myAccount (m1.icmarc.org), allows participants to view their retirement savings account information on their smartphones and tablets. Participants can use their current Account Access log-in information to view fund balances, personal performance information with a graphic illustration, year-to-date account activity, and brief messages as applicable.
- **Brainshark™ Videos.** ICMA-RC professionals can also deliver **Brainshark™** technology to your participants. Brainshark™ allows your local ICMA-RC professional (and you) to electronically deliver quick video and/or web messaging about specific topics to your population. Brainsharks can even allow you to track viewing habits which could help you determine which topics are most popular and relevant to your participants both active and retired.
- **Videos.** ICMA-RC's library of short videos focuses on questions participants ask on a regular basis. These videos are professionally produced. The videos are available in Spanish and closed captioning.
- **Voice Response and Contact Center.** Participants will have access to account information, as well as fund transfer and contribution allocation capabilities, via ICMA-RC's toll-free voice response system and Participant Services Representatives in our Contact Center.

**4.2.1.2.3 TPA should process benefit distribution, including required notices, payments, tax withholding and reporting and issuing 1099R's. Upon submission of the annual Form 1099R's to the truncing authorities, the TPA must provide a copy, in an electronic format, to the Agency of all issued 1099R's for that year.**

Confirmed. Our recordkeeping system processes disbursements daily, remits withholdings on a timely basis, and generates all required and relevant federal and state tax reports. ICMA-RC prepares and issues Form 1099-R to participants before January 31st of the year following the reporting year.

A tax report is produced and reviewed for accuracy by ICMA-RC. ICMA-RC then uses the tax report to prepare withholding remittances and support the filing of quarterly and annual federal/state tax reports. This report is also used to reconcile payments from our disbursement system to disbursements posted to our recordkeeping system, as well as to balance state withholdings. If a check must be voided, the gross disbursement amount is restored to the participant's account and ICMA-RC applies for a refund of taxes withheld.

Our 1099-R forms are available electronically.

<sup>1</sup> These calculators are designed to provide general assistance in making informed decisions. Their accuracy is not guaranteed and some results may vary from those provided by other systems.

<sup>2</sup> Investment advice and analysis tools are offered to participants through ICMA-RC, a federally registered investment adviser. Investment advice is the result of methodologies developed, maintained and overseen by the Independent Financial Expert, Morningstar Investment Management LLC. Morningstar Investment Management LLC is a registered investment advisor and subsidiary of Morningstar, Inc. Morningstar, Inc. and Morningstar Investment Management LLC are not affiliated with ICMA-RC. All rights reserved. The Morningstar name and logo are registered marks of Morningstar, Inc.



- **List and describe all payment options your firm can make available to plan members.**

Distribution payments can be sent by check or electronic transfer (ACH) is available for installment payments. Participants may also request ACH direct deposits of lump sums into their bank account via the internet. Assuming documentation is received in good order by 4:00 p.m. Eastern Time, the transaction is posted at close of business that evening. The ACH deposit is then initiated the next business day.

- **Describe in detail the distribution counseling services that your representatives would be able to provide for members over the telephone and in person. Discuss how you communicate the different payment options. Provide samples of the written materials and applications that you would propose sending to members who have requested distribution information and samples of the forms that your firm uses for election of form of payment.**

ICMA-RC is attuned to the needs of public sector employees, and our distribution process reflects this. We are committed to providing excellent service and strive to make it easy for participants to do business with us. Our disbursement services offer many advantages to both participants and plan sponsors such as:

- Online retirement planning tools that allow participants to designate any retirement year. Date flexibility in retirement planning tools is a useful feature for participants who qualify for early retirement, such as public safety employees.
- Our process gives participants flexibility of choice in establishing their payment schedules. Participants also can make changes in their benefit payment amounts throughout retirement as their financial needs change. This is especially important to participants who qualify for early retirement and thus, have a longer retirement horizon to manage.
- If a participant's benefit payment request is incomplete, we will contact the participant via telephone or email to obtain the missing information rather than mailing a letter advising the participant of the missing information, which causes further delays.
- The plan sponsor's involvement in the distribution process is minimal. The plan sponsor simply notifies us of a participant's termination date, via our plan sponsor website or data transfer. Once a participant's termination date is on file, the participant may request initial payments as well as subsequent payments or changes in a payment schedule. No additional signature or involvement is needed from the plan sponsor.

We will provide one-on-one educational meetings, group seminars, and printed materials for participants as they prepare to select a distribution option or schedule change.

A sample withdrawal packet is included in the [Appendix](#).

- **Describe how your representatives will assist members in completing distribution applications.**

Your Retirement Plans Specialist is available to meet in person, where applicable, and by phone with retiring and terminated employees. The Retirement Plans Specialist will counsel them on distribution options, as well as assist them in completing withdrawal requests. In addition, Participant Services Representatives are available to assist terminated participants with distribution requests via phone.





- **If forms are returned incomplete, discuss how the Plan will be notified to provide the missing information.**

When incomplete forms require action to be taken on the part of the plan sponsor, ICMA-RC will contact an authorized plan representative and work with them to resolve the issue.

- **Discuss your ability to provide an annuity shopping service.**

#### **Income for Life**

ICMA-RC's Income for Life program<sup>1</sup> offers a convenient and objective method to purchase immediate annuities, with competitive, institutional pricing, from selected insurance companies with which ICMA-RC partners. Based on information provided by the participant or beneficiary, an Investor Services Representative generates an individual annuity quote/benefit illustration. This information, along with an annuity enrollment kit, is mailed to the participant or beneficiary. Upon participant/beneficiary return of employer-approved enrollment forms, funds are wired to the annuity provider and a confirmation of the annuity purchase is mailed to the participant or beneficiary. The annuity provider then sends a welcome letter, customer service information, and an annuity certificate to the participant or beneficiary.

The annuity provider then begins making annuity payments to the participant at the agreed upon frequency.

#### **Retirement IncomeAdvantage Fund**

As an alternative to the Income for Life program, ICMA-RC makes available the VT Retirement IncomeAdvantage Fund (the Fund).<sup>2</sup> The Fund is a professionally managed investment option available within ICMA-RC's clients' retirement plans that includes a guaranteed lifetime income feature. The Fund invests in a separate account under a group variable annuity issued by Prudential Retirement Insurance and Annuity Company (Prudential), Hartford, CT. Guarantees are provided by Prudential and are based on its claims-paying ability. The separate account, in turn, invests an asset allocation that is approximately 60% equity investments (both domestic and foreign) and 40% fixed income investments through a mix of collective investment trusts. ICMA-RC is responsible for managing the assets of the separate account for Prudential. The separate account's current target allocation for the underlying funds is as follows:

<sup>1</sup> Annuities are insurance products available through companies not affiliated with ICMA-RC. Please consult "Income for Life Annuity Program: Immediate Annuities for Retirement Income," prior to purchasing an annuity. 1-800-669-7400.

<sup>2</sup> Prudential Retirement Insurance and Annuity Company (Prudential), CA COA #08003, Hartford, CT. Neither Prudential nor ICMA-RC guarantees the investment performance or return on contributions to Prudential's Separate Account. You should carefully consider the objectives, risks, charges, expenses and underlying guarantee features before purchasing this product. Prudential may increase the Guarantee Fee in the future, from 1.00% up to a maximum of 1.50%. Like all variable investments, this Fund may lose value. Availability and terms may vary by jurisdiction; subject to regulatory approvals. Annuity contracts contain exclusions, limitations, reductions of benefits and terms for keeping them in force. Guarantees are based on Prudential's claims-paying ability. This annuity is issued under Contract form # GA-2020-TGWB4-0805-RC. ICMA-RC provides recordkeeping services to your Plan and is the investment manager of the underlying Prudential separate account. Prudential or its affiliates may compensate ICMA-RC for providing these and related administrative services in connection with the Fund. Variable annuities are suitable for long-term investing, particularly retirement savings. ©2019 Prudential, the Prudential logo, and the Rock symbol and Bring Your Challenges are service marks of the Prudential Insurance Company of America, Newark, NJ, and its related entities, registered in many jurisdictions worldwide. Note: Participants who are interested in the VT Retirement IncomeAdvantage Fund must first receive and read the VT Retirement IncomeAdvantage Fund Important Considerations document, before investing.



| Fund Name                                      | Target Allocation |
|--|-------------------|
| <b>Equity Funds</b>                            |                   |
| Vantagepoint Broad Market Index                | 25%               |
| Vantagepoint Growth & Income                   | 20%*              |
| Vantagepoint International                     | 15%*              |
| <b>Fixed Income Funds</b>                      |                   |
| Vantagepoint Inflation Protected Securities    | 10%*              |
| Prudential Core Conservative Intermediate Bond | 30%               |

*\*Actively-managed fund.*

This allocation enables investors to participate in the market, while the guaranteed income benefit protects retirement income against market downturns. Like other investments available through ICMA-RC, participants are eligible to transfer any portion of their current balance and/or allocate future contributions to the Fund.

For complete and important information concerning the Fund, please review the *VT Retirement Income Advantage Important Considerations* document included in the [Appendix](#).

**For the annuities you offer, give the actual and guaranteed purchase rates per \$1,000 for the following payment options on July 1, 2018. Provide purchase rates for a member age 55, 60, 62, and 65. For joint and survivor payment options assume that the spouse is the same age. Unisex rates are required.**

- **life with payout**
- **life**
- **10 years certain**
- **50 percent joint and survivor**
- **100 percent joint and survivor**

Please see the requested annuity purchase rates below:



| <b>MetLife*</b>                              | <b>Age 55</b> | <b>Age 60</b> | <b>Age 62</b> | <b>Age 65</b> |
|--|---------------|---------------|---------------|---------------|
| <b>Life with payout</b>                      | \$4.09        | \$4.44        | \$4.52        | \$4.90        |
| <b>Life</b>                                  | \$4.27        | \$4.75        | \$4.87        | \$5.41        |
| <b>10 years certain (fixed 10-year term)</b> | \$9.52        | \$9.52        | \$9.52        | \$9.52        |
| <b>50% J&amp;S</b>                           | \$4.02        | \$4.41        | \$4.50        | \$4.94        |
| <b>100% J&amp;S</b>                          | \$3.80        | \$4.11        | \$4.19        | \$4.55        |

\*Assumes a \$150,000 purchase amount.

| <b>Pacific Life</b>       | <b>Age 55</b> | <b>Age 60</b> | <b>Age 62</b> | <b>Age 65</b> |
|---------------------------|---------------|---------------|---------------|---------------|
| <b>Life with payout*</b>  | \$4.25        | \$4.58        | \$4.74        | \$5.02        |
| <b>Life</b>               | \$4.44        | \$4.87        | \$5.08        | \$5.46        |
| <b>10 years certain**</b> | \$4.40        | \$4.80        | \$4.99        | \$5.32        |
| <b>50% J&amp;S</b>        | \$4.17        | \$4.52        | \$4.69        | \$5.00        |
| <b>100% J&amp;S</b>       | \$3.93        | \$4.22        | \$4.36        | \$4.61        |

\*Life with Payout (Life with Cash Refund) – Annuity payments are made for the lifetime of the annuitant and includes a death benefit which is reduced each time a payment is made. If the annuitant dies prior to the death benefit being depleted, the balance is paid to the beneficiary in a lump sum.

\*\*“10 years Certain” was quoted as Life with 10 Years Certain.

- **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.**

**Income for Life Program**

Currently, we have no commission arrangement with MetLife or Pacific Life. We do not foresee that this will change in the near future.

**VT Retirement IncomeAdvantage Fund**

There is no commission associated with the VT Retirement IncomeAdvantage Fund.

- **Describe your firm's procedures for processing the termination or retirement of a member. Start with the date when a member's termination is reported to you and end with the receipt of the 1099R.**



When the employer provides the participant's termination date to ICMA-RC, we will work directly with the participant to facilitate their requests for disbursement.

Employer administration is removed for terminated participants whose accounts have been fully distributed as a result of meeting the following criteria: a terminated participant with a vested balance of \$1,000 or less, upon termination or retirement, is required to take his/her distribution as soon as administratively feasible in the form of a lump sum payment to the participant or as a direct rollover to another qualified plan or IRA. The participant has 30 days during which to make the decision of whether to receive or roll over the funds.

Accounts for terminated participants who do not meet these criteria will remain in the employer's plan until the participant receives a full payout or chooses to rollover the account to another provider. The employer would continue to have some administrative responsibility for such accounts.

Our recordkeeping system processes disbursements daily, remits withholdings on a timely basis, and generates all required and relevant state and federal tax reports. Withholding is based on mandatory IRS requirements — normally 20%. For some type of distributions, participants elect a withholding level via Form W-4 and the state tax withholding form. If no tax withholding form is received, withholding will be based on the IRS default status of married with three dependents. ICMA-RC prepares and issues Form 1099-R to participants before January 31st of the year following the reporting year. Our 1099-R forms are available electronically.

- **If a member calls to request a distribution prior to being reported as terminated what will they be told? What alternative processes can be implemented?**

We will provide the member with information about their withdrawal options and eligibility, including how they can go about initiating withdrawals from their account. Prior to submitting the applicable withdrawal forms, they can have an authorized plan representative confirm their eligibility to withdraw funds by signing the form to confirm the member's last day of employment. Alternatively, the form can be submitted without the signature of an authorized plan representative and ICMA-RC will follow up with the employer to obtain the required authorization.

- **Describe how the Internal Revenue Service Form 1099-Rs are produced for distributions and subsequent reporting thereof.**

Our recordkeeping system processes disbursements daily, remits withholdings on a timely basis, and generates all required and relevant state and federal tax reports. Withholding is based on mandatory IRS requirements — normally 20%. For some type of distributions, participants elect a withholding level via Form W-4 and the state tax withholding form. If no tax withholding form is received, withholding will be based on the IRS default status of married with three dependents. ICMA-RC prepares and issues Form 1099-R to participants before January 31st of the year following the reporting year. Our 1099-R forms are available electronically.

**What controls are in place to ensure that the federal tax tables are updated in the system timely to reflect the most current tax tables? What measures are taken to ensure that withholding tax calculations are correct?**

ICMA-RC, as recordkeeper, uses FIS' OmniDC recordkeeping system, the nation's leading retirement plan recordkeeping system. ICMA-RC has operated on this platform since 1993 with full system upgrades when major releases were rolled out by FIS. More frequent updates are made to reflect tax and regulatory changes. FIS continually provides releases to the



software to ensure that the recordkeeping system remains in compliance with regulatory changes. This includes an annual update to the tax tables used by OmniDC for federal and state tax withholding. ICMA-RC conducts numerous tests to ensure compliance with current regulations, including tax tables and all other relevant Internal Revenue Code provisions.

- **Describe how your firm handles the direct rollover and notice requirements.**

Rollovers from another plan are accepted at any time and are invested when both the participant's rollover form and money are received in good order. ICMA-RC confirms the source of incoming rollovers by requiring documentation sufficient to verify the assets originated from an eligible retirement plan or IRA. When a rollover is deposited to a participant's account, confirmation is sent to both the employer and the participant.

- **Participants may choose an electronic direct deposit as an alternative to receiving a check. Describe how the notification and processing is different under this payment option.**

Direct deposit is available for installment payments into a participant's personal bank or credit union account. Direct deposit is also available for lump sum distributions initiated online.

Whether a participant receives a check or direct deposit, confirmations are mailed within two business days of when a transaction is executed, confirmations also are available online. If participants do not wish to receive confirmation letters in the mail, they can elect to receive electronic confirmations online, and receive email notifications when confirmations are available for viewing in their account.

- **Plan Participant Satisfaction**

- **Discuss how your company measures and evaluates plan participant satisfaction.**

ICMA-RC formally monitors and assesses employee satisfaction with our services as follows:

- **Participant Satisfaction.** ICMA-RC conducts participant satisfaction surveys annually. In addition, individual on-site representatives distribute evaluations to determine the effectiveness of their presentations. These surveys provide ICMA-RC with the opportunity to assess the participants' experience and to adjust our services accordingly.
- **Participant Services Automated Voice Survey.** Participants also are given an opportunity to rate the service they receive from our toll-free contact center through the Participant Services Automated Telephony Survey that utilizes the Interactive Voice Response System to reach a sample of all customers who use this service. Responses are captured, analyzed, and responded to as needed.
- **Contact Center Monitoring.** ICMA-RC monitors usage and collects data on its contact center daily. This information is evaluated monthly to determine the efficiency and effectiveness of our coverage of participant calls. Contact center and senior management review data to ensure continuous delivery of the highest quality service. In addition, the management of the contact center, through phone monitoring, listens to representatives as they handle phone calls with participants. Any follow-up coaching or training needed is provided based on phone monitoring.



- **Discuss the frequency you propose evaluating Plan participant satisfaction, how Agency input will be included, and how the findings will be provided to the Agency.**

ICMA-RC's Corporate Research Department oversees our annual client/participant satisfaction survey efforts. Rod Alcazar will disseminate results to the Agency as mutually agreed upon.

In addition to monitoring participant satisfaction, ICMA-RC also formally monitors and assesses employer satisfaction with our services as follows:

- **Employer Survey and Focus Groups.** We survey more than 3,500 employers annually and hold focus groups throughout the year to test satisfaction with our employer- and employee-level services and products. Our employer survey is one of the ways in which we maintain a dialogue with our clients to collect their input and ensure that our services and products are properly aligned to meet their needs.
- **Metrics and Plan Service Report.** We benchmark aggregate participant activity and our service levels against industry trends. In addition, ICMA-RC will provide a Plan Service Report that includes statistical analysis of participant usage of services such as our website, Voice Response System, and Contact Center. This report will be presented during an on-site meeting, and will be used to facilitate a discussion of the status of the plan, as well as any enhancements and plans for ICMA-RC's service over the coming period.

#### Client Advisory Councils and Activities

ICMA-RC believes that we best serve our public sector clients through ongoing dialog and engagement via a wide variety of research methods to include client surveys and advisory councils. Throughout the year, ICMA-RC surveys more than 3,500 employers while also hosting specific client focused activities to create ongoing discussion and topic exploration to gain insight as to how to best serve our clients.

Research events and activities that ICMA-RC conducts regularly include:

- Ongoing surveys
- Executive Advisory Councils and Client Advisory Symposiums, which differ based on client, location and professional focus
- Usability testing
- Other research methods as appropriate, dependent on objective, topic, and audience

Overall, we believe strongly that comprehensive client research and engagement plays a key role in the development of successful and valuable employer- and employee-level technology, services and products.

- **Describe the safeguards you utilize to assure the Agency is informed of all serious or repetitive complaints regarding your company's performance, including how you notify the Agency.**

Participant Services Representatives respond immediately to all serious and repetitive participant complaints submitted by email with an acknowledgement message. Subsequently, a detailed response from a manager or higher is sent within two business days. Complaints submitted in a written letter are responded to within five



business days. Complaints are reported to the employer within two business days. ICMA-RC's standard for inquiries requiring research is for a phone response to be given within one business day and a written response (if necessary) to be given within three business days. We exceed this standard over 90% of the time.

### **Verbal Complaints**

ICMA-RC dedicates technical support personnel trained in ICMA-RC systems, operations and customer service procedures to facilitate the resolution of participant and employer issues, particularly those deemed serious or repetitive. Daily, assigned professionals "pick up" identified issues from ICMA-RC's Customer Information System (CIS) and work through each issue until it is resolved. Each issue resolution professional works directly with the employer and/or participant to ensure the adequacy and accuracy of information. When the issue is completely resolved, the participant and/or employer receive written confirmation of its final disposition.

Although ICMA-RC's corporate policy is to have most issues completely resolved within ten business days, the average turnaround is approximately six business days. A monthly report of all issue resolution activity is generated and distributed to operations and systems managers as well as senior management.

### **Written Complaints**

Securities regulations require that written complaints that are investment-related and a memo reflecting their final disposition be kept on file for audit purposes. ICMA-RC's Compliance Department coordinates the written complaints process, by assigning the resolution to the appropriate department, and following up with correspondence to the participant or employer, as well as maintaining all the records of the issue.

Our Compliance Division receives a small number of written complaints in respect to our total number of participants. The turnaround for resolution varies depending upon the complexity of the situation.

### **Escalation Procedures**

Since ICMA-RC's management reviews issues received and resolved regularly, serious, repetitive, and unresolved issues come to the attention of senior management on a timely basis. Any issues that cannot be resolved through standard channels are then discussed at senior staff meetings and a resolution plan is developed and implemented immediately. We rarely encounter issues that cannot be resolved within ICMA-RC's target timeframe.

- **Discuss how you will assure the Agency that education services you provide regarding investments are impartial and unbiased.**

ICMA-RC has designed Guided Pathways<sup>®</sup> Advisory Services<sup>1</sup> in accordance with the United States Department of Labor Advisory Opinion 2001-091A (Advisory Opinion). The Advisory Opinion provides an authorization for retirement plan providers to offer

<sup>1</sup> Investment advice and analysis tools are offered to participants through ICMA-RC, a federally registered investment adviser. Investment advice is the result of methodologies developed, maintained and overseen by the Independent Financial Expert, Morningstar Investment Management LLC. Morningstar Investment Management LLC is a registered investment advisor and subsidiary of Morningstar, Inc. Morningstar, Inc. and Morningstar Investment Management LLC are not affiliated with ICMA-RC. All rights reserved. The Morningstar name and logo are registered marks of Morningstar, Inc.



investment advice to their participants provided the advice is generated by an Independent Financial Expert ("IFE"). ICMA-RC has selected Morningstar Investment Management LLC ("Morningstar Investment Management") to act as the IFE for Guided Pathways<sup>®</sup> Advisory Services. This helps ensure the independence and integrity of the advice provided to your employees.

Under the Advisory Opinion and our contract with Morningstar Investment Management, ICMA-RC cannot influence the investment recommendations provided by Morningstar Investment Management to participants. Morningstar Investment Management does not sell investment products to plan participants.

- **Discuss how you will assure quality service from your subcontracted companies.**

Not applicable. ICMA-RC understands "subcontractor" in this context to refer to a third-party retained to provide custom services unique to the Agency. ICMA-RC will not be utilizing subcontractors to service the Agency's plan.

**4.2.1.2.4 TPA should conduct ongoing retirement planning education and distribution counseling in each of the counties of the state with TDC plan members, by at least one educational representative solely dedicated to the TDC Plan.**

Confirmed. ICMA-RC will hire a dedicated Retirement Plans Specialist that will travel to each county in which there are TDC Plan members and provide seminars and one-on-one educational sessions for those participants.

- **Provide an overview of an individual consultation, including frequency and location.**

Our representatives offer individual on-site educational meetings that allow your participants to ask questions about their specific retirement issues and needs. Our Retirement Plans Specialists utilize the Retirement Roadmap, a comprehensive set of tools and educational materials to guide one-on-one participant meetings, which complement ICMA-RC's extensive, participant-focused digital resources. ICMA-RC representatives use the Retirement Roadmap to deliver enhanced planning capabilities to all plan participants, while also allowing them to tailor meetings to participants' career stages and financial concerns. Typically, these sessions include:

- **Personalized Education.** Your ICMA-RC representative will assist employees with comprehensive retirement planning.
- **Illustrations.** Benefit and tax-savings illustrations are based on the participant's age, salary, employee pre-tax deferral rate (if applicable), amount required at retirement, and disbursement schedule. These personalized meetings demonstrate the effects that various contribution and investment allocation scenarios can have on potential benefits. All benefit illustrations can be printed in hard copy for employees' records.
- **Investment Education.** The representative will provide investment education to assist employees as they determine which options, investment strategies, or resources are best for them, given their level of risk tolerance and time horizon until retirement.

**The Retirement Roadmap**

The Retirement Roadmap entails ICMA-RC's three RealizeRetirement<sup>®</sup> stages — engage, build, and realize — based on where participants are in their careers:

- **Engage** is designed for someone not yet enrolled in the plan. It offers information about the benefits of tax-deferred savings and an introduction to retirement plan features.





Calculators show participants the cost of delaying to save, growth of savings over time, how small changes in savings rates can add up and estimated savings based on participants' current paycheck.

- **Build** focuses on assessing how well mid-career participants are doing at meeting their retirement savings goals now, and how they could close any gaps by increasing contributions or applying more effective investment strategies. Calculators depict the potential growth of savings over time, the impact of changes in contributions, a paycheck calculator, and a Roth analyzer, which helps determine whether a Roth IRA would be beneficial.
- **Realize** assists participants who are at or near retirement, as well as those who are already enjoying retirement. It helps participants determine whether they're ready for retirement and offers group and one-on-one consultations on income replacement and withdrawal strategies during retirement.

### Frequency and Location

Our dedicated Retirement Plans Specialist will take a proactive approach to outreach, visiting local offices and locations to conduct seminars about relevant education topics and meeting individually with participants to discuss ways to help them build retirement security. This active strategy has successfully boosted plan participation rates among ICMA-RC clients. This dedicated representative will travel to each county in which there are TDC Plan members and provide seminars and one-on-one educational sessions for those participants. These visits will be on a schedule mutually agreed to by ICMA-RC and the Agency.

- **Discuss the subjects and contents of on-site group education.**

We will work closely with the Agency to develop an educational program that resonates with participants at varying financial life stages in their careers – enroll, accumulate, and sustain. Our presentations provide a wide scope of topics and provide financial education in a straightforward, simple, and convenient manner. To help the Agency decide which seminars to offer your employees, consider the following approaches:

- **Design your own seminar lineup.** Choose from the various options available below to mix and match as you see fit.
- **Simplify it.** Select one or more of the following seminar tracks. ICMA-RC can then present each seminar in the track. Or, you could choose to exclude one or more seminars within the track you select.

The **Retirement Security** group of seminars consists of specific tracks that are directly related to retirement savings, investing, income, and expenses.

- **Investing for Retirement:** Build Your Investment Portfolio, Dealing with Current Conditions, Investing for Retirement – Just the Basics, Investing Behavior Traps and Tips, Investing Do's and Don'ts, Retirement Investing Simplified, Why Invest Early
- **Retirement Income/Expenses:** 10 Question Retiree Guide, How Much Will Retirement Cost, Long-Term Care, Medicare, Retirement Savings Drawdown, Social Security Steps, Tax Planning
- **Saving for Retirement :** It's Not Too Late to Save, Why Save Early, Your Saving Goals

The **Financial Literacy** group of seminars consists of specific tracks that are not directly tied to retirement planning.



- **Credit, Debt, Spending:** Credit Smarts, Paying Off Debt, Spend Smart, Paying Off Student Loans
- **Financial Security:** Beneficiary Decisions, Estate Planning for Everyone, Protecting Your Finances
- **Life Events:** Family Finances – Baby Steps, Joining Finances
- **Saving:** Car Buying Prep, College Smarts, Emergency Fund Saving, Home Buying Prep, Juggling Financial Goals, Saving Behavior Tips
- **Have ICMA-RC decide with you.** Your on-site services team will help the Agency select a customized group of seminars based on your goals as a plan sponsor and the needs and circumstances of your employees.

A list of available seminars appears below.

#### Retirement Planning – Early/Mid-Career

- **It's Not Too Late to Save.** When life gets in the way and you haven't saved enough, you can procrastinate, despair, or take action. We'll review a number of steps you can take to get back on track.
- **Why Save Early.** Saving early in your career can give you an enormous financial head start. And saving is easier than you may think. We'll review eight reasons why early saving matters.
- **Your Saving & Investing Goals.** Whether you're just starting out or need to make sure you're still on track, setting goals related to how much you save and how you invest is key to a better financial future. We'll explore how to make these goals more real and realistic.

#### Retirement Planning – Nearing/In Retirement

- **10 Question Retiree Guide.** Transitioning into and through retirement can be rewarding and challenging. So having a plan is important. We'll focus on 10 key questions you should ask, from saving, to Social Security and Medicare, and managing your investments, withdrawals and taxes.
- **Health Care in Retirement – Navigating Long-Term Care.** Many individuals will need long-term care at some point. The costs can be high but relying on Medicare, Medicaid, and loved ones may not be good or realistic options. Long-term care insurance may make sense but has its own complications. We'll help you make sense of this important topic.
- **Health Care in Retirement – Navigating Medicare.** Planning for health care costs in retirement – a potentially major expense – is essential. But if you're relying on Medicare to cover them all, you may be in for a surprise. We'll help you understand Medicare – its benefits and limitations.
- **How Much Will Retirement Cost Workshop.** This workshop is designed to help you answer the following questions: How much retirement income will I need? Where will the income come from and how much can I expect?
- **I am Nearing Retirement. Now What? Managing Your ICMA-RC Retirement Accounts.** If you are retiring soon, you probably have many questions about your retirement accounts. Learn what you should consider next.
- **Retirement Savings Drawdown.** You've planned, you've saved, now what? You may need to draw down your savings to meet ongoing and periodic expenses over many years, while also providing for loved ones. Many uncertainties exist, yet you don't want



to over or underspend. We'll learn about distribution strategies commonly used for retirement savings.

- **Social Security Steps – Public Sector Focus.** When and how you claim Social Security retirement benefits can make a huge difference in how much you and your spouse receive. Meanwhile, some public sector workers may face a reduction in benefits. We'll review key steps to help you plan ahead and make a smart decision.

#### Retirement Planning – General

- **Loan Pluses & Pitfalls – Borrowing from Your Retirement Plan.** The decision to take a loan from your employer's retirement plan should be part of a well-thought-out plan. While a loan can provide meaningful benefits, there are important risks to consider.
- **Roth Roadmap.** Does giving up a tax benefit – or paying a tax bill – now make sense to get potentially tax-free earnings later? You need a roadmap to guide your Roth contribution and conversion decisions. Join us to learn more.

#### Investing Strategies – Early Career

- **Why Invest Early.** You're saving for your future and that's a critical first step. Next, how you invest those savings can have a huge impact on your future account balance. We'll review six considerations for investing wisely early in your career.

#### Investing Strategies – Nearing/In Retirement

- **Retirement Investing Simplified.** You should carefully review your investment mix and strategy as you approach and go through retirement. Managing, but not avoiding, investment risk is likely to be especially important. We'll review a few simple steps to consider so you can find the right balance.

#### Investing Strategies – General

- **Build Your Investment Portfolio.** How do you choose your investments? Just looking at past performance or how the markets are doing is usually unwise. Instead, we'll review strategies to help you find the right balance of risk and reward in a diversified portfolio.
- **Control What You Can – Investing Do's and Don'ts.** How should you respond to market ups and downs? While some may wish to further diversify their investments and others may spot opportunities, many are best served by sticking with a personalized investing strategy. Consider these do's and don'ts to help you focus.
- **Investing Behavior Traps & Tips.** The way we think about our investments and how we react to the ups and downs of the markets can trap us financially. Learn some steps you can take to avoid these pitfalls.
- **Invest for Today and Tomorrow – Dealing with Current Conditions.** How do you make sense of current market and economic conditions in managing your investments? It's about being prepared for different scenarios. We'll help you review whether or not you need to adjust, so you can stay on track towards meeting your goals.
- **Investing for Retirement: Just the Basics.** Whether you're just starting out in your career or need a refresher, this seminar serves as a discussion point for your retirement portfolio. It introduces basic investing concepts, including risk, asset allocation, diversification, rebalancing, market timing and dollar-cost averaging.



### Managing Cash Flow

- **Car Buying Prep.** It may not be the biggest purchase you ever make, but there are a lot of financial considerations to buying a car. We'll provide a helpful guide so you can make a smart decision.
- **Credit Smarts.** You can use credit wisely or it can get the best of you. Steps you take to build and protect your credit history and score matter.
- **Debt Paydown.** Don't let debt weigh you down. You need a plan to pay it down wisely and in a way that doesn't negatively impact your other financial goals.
- **Emergency Fund Savings.** When life inevitably gets in the way and the unexpected bills come due, an emergency fund can be a lifesaver. It can help relieve stress and avoid debt or drawing from your retirement savings.
- **Family Finances – Baby Steps.** Having a baby can mean huge costs and a need to rearrange your financial life. We'll review some basic steps to help you plan.
- **Joining Finances.** Before you get married or join finances with a partner, the more you think and communicate about money as a team the better. Learn how to get started.
- **Juggling Financial Goals.** Saving for multiple things – a house, car, college, emergency fund, retirement – can be a challenge. And what if you have debt to pay down, too? Learn some basic steps to help you organize and reach your goals.
- **Managing Credit and Debt Workshop.** How you handle your credit has a big impact on how lenders view you and ultimately on how much they will charge you to borrow money. This workshop will help you learn more about how credit works and develop skills to manage credit and debt successfully.
- **Managing Your Money Workshop.** You work hard for your money. Managing your money includes finding ways to maximize every penny that you earn. By the end of this workshop, you will have practical skills to help you identify your financial goals and design a budget, which are critical steps to successful money management.
- **Saving Behavior Tips.** How we approach spending and saving decisions can trap us financially. Learn some steps you can take to avoid these pitfalls.
- **Spend Smart.** It's difficult to save and avoid debt if you spend too much. You need to spend smart, too. This doesn't have to mean sacrificing enjoyment or require a lot of work. It's about identifying ways to prioritize so you spend on what you truly want and can afford.
- **Student Loan Paydown.** Don't let student loan debt weigh you down and prevent you from making progress on your financial goals. Favorable repayment options exist, including additional benefits for many public sector employees.

### Tax Planning

- **Tax-Free or Tax-Advantaged Retirement?** Taxes are likely to be a significant expense for you in retirement. We'll review different taxes you may pay and some investment strategies and pitfalls that can help you better manage your tax bill.

### College Planning

- **College Smarts.** While the cost of a college education continues to increase, so does the importance of figuring out how to fund it. The good news is that there are many ways to finance college. We'll review what you need to know, whether your child was just born or will soon be college-age.



### Estate Planning

- **Beneficiary Decisions.** If you don't designate beneficiaries for your retirement accounts, your loved ones may not receive those assets in the way that you intended. Learn what you should consider when choosing and reviewing your beneficiaries.
- **Estate Planning for Everyone.** Estate planning is not just about estate taxes and not just for the wealthy or elderly. Primarily, it's about ensuring that your wishes are carried out in a manner that minimizes time and cost for your loved ones. Plan ahead to protect what you've worked so hard for!

### Housing

- **Home Buying Prep.** Buying a home is a huge financial and emotional decision. Don't rush into it without carefully considering your options and knowing what to plan for.

### Insurance

- **When Life Gets in the Way – Protecting Your Finances.** Saving for your future, diversifying your investments, not overspending...all are important. But what if the unexpected happens – a loss of income, damage to your property, a lawsuit, or worse? You should also have an emergency fund, proper insurance, and organized records. It's manageable – we'll show you how!

### Financial Planning

- **Financial Planning > Wellness.** Financial planning is about wisely managing your overall finances so you meet your goals and minimize pitfalls. From savings goals to investing to credit and debt to insurance to estate planning, financial planning helps you tie it all together.
- **Women and Financial Planning.** Women face unique challenges to building retirement security; they are more likely than men to interrupt their careers to care for family, and to live longer. While on average they are less involved in personal finances, they tend to be better investors! We'll explore these topics through a series of case studies.

### ICMA-RC Products and Services

- **5 Reasons to Choose an IRA.** Tax advantages, flexibility, and more. Learn about all five ways an IRA can help you reach your savings goals.
- **5 Reasons to Choose a Payroll Roth IRA.** Potential for tax-free earnings, flexibility, and more...learn about all five ways a Payroll Roth IRA can help you reach your savings goals.
- **Guided Pathways® Advisory Services Helps You Save>Invest>Retire.** Guided Pathways® Advisory Services provides answers to important questions about your ICMA-RC retirement accounts: 1. How much should I save?; 2. How should I invest what I save?; 3. How likely am I to achieve my retirement goals? Learn more about how Guided Pathways® Advisory Services can help you save and invest for retirement.
- **Making Your Money Last in Retirement – the VT Retirement Income Advantage Fund.** What options are there to help you deal with market volatility and make your money last but also preserve flexibility to keep your options open? Join us to learn more about the Income Advantage Fund, an option available in your ICMA-RC administered retirement plan.



- **Maximize Your DROP.** Building adequate savings to go with a pension and/or Social Security is important for flexibility and liquidity. We'll explore how your Deferred Retirement Option Plan (DROP) can help and how to manage your DROP assets in retirement.
- **Pay for Future Health Care Costs – VantageCare RHS.** Rising health care costs are a major concern, especially in retirement. Your Retirement Health Savings (RHS) Plan helps you pay for future health care with tax advantages. It was created exclusively for public sector employees. We'll review how the plan works and different approaches to investing in the plan.
- **Simplify & Diversify – Target-Date Milestone Funds.** Help simplify your retirement investing decisions with the target-date Milestone Funds.
- **VantageBroker – Additional Investment Choices.** An overview of ICMA-RC's VantageBroker program, a self-directed brokerage account option within your employer's retirement plan that provides additional investing options.
- **Your 401(a) Money Purchase Plan.** Your 401(a) Money Purchase Plan is a saving and investing vehicle with tax benefits. Learn more about how the plan works, including its investment options and distribution rules.
- **Your 401(a) Profit Sharing Plan.** Your 401(a) Profit Sharing Plan is a saving and investing vehicle with tax benefits. Learn more about how the plan works, including its investment options and distribution rules.

▪ **How often will your representatives hold individual and group meetings?**

Our 100% dedicated Retirement Plans Specialist will travel to each county in which there are TDC Plan members and provide seminars and one-on-one educational sessions for those participants. These visits will be on a schedule mutually agreed to by ICMA-RC and the Agency. In addition, your CERTIFIED FINANCIAL PLANNER™ professional will be on site once a month for first six months of the contract and quarterly thereafter.

▪ **Discuss your ability to customize forms and materials.**

ICMA-RC's mission is to help public sector employees build retirement security. We deliver on our mission via RealizeRetirement®, in which we actively **engage** employees in their retirement programs, help participants **build** their asset base toward a stated goal, and finally, help them **realize** their retirement dreams through a comprehensive retirement planning approach aimed at maximizing their retirement income generation.

Your Communications Manager will collaborate with the Agency to develop a plan that encompasses all the communications strategies and tactics that address the goals of the Agency – and the needs of the participants. The following education and communication tools and resources will be used to produce better outcomes for your plan:

**Custom Branding**

ICMA-RC will work with you to customize many of your education and communications materials for a more personalized experience that will resonate with your participants. If the Agency desires, our communications team will collaborate with you to develop a new custom plan logo and theme. This logo and theme would be featured on your plan materials to generate a sense of excitement and identification with the plan among your participants. However, the Agency may choose to use its current logo on materials.



In addition to customizing materials such as your Enrollment Kit and select plan forms with your plan logo and theme, we will work with you to develop key messages and other content that's important for your participants to know.

The following are a few examples of the customization we will currently offer:

### Technology

- **Custom website:** Your plan website would feature a homepage slide show highlighting key plan messages and important information; details about the Agency's plan; online access to plan-specific materials such as forms and publications; education content such as links to online calculators, videos, and webinars; contact information for local ICMA-RC representatives; and a convenient online scheduling tool that allows participants to enroll in a seminar or set up a one-on-one session with a local ICMA-RC plan representative. The website will also provide fund information for your plan's investment lineup, such as investment objective, ticker symbol, Morningstar Category, performance, and expense ratios. Furthermore, your custom website will be accessible via a single sign on from your benefits site and mobile application.
- **Customized version of the ICMA-RC Mobile App:** We will customize our mobile app with your plan name and logo so your participants will more readily recognize and identify with the app.
- **Custom HTML emails:** We will work with you to select relevant HTML emails from ICMA-RC's comprehensive library. We will customize the emails with your plan name, logo, and representatives' contact information.
- **Custom webinars:** ICMA-RC will create custom wrappers for the most popular webinars in our comprehensive library for the Agency that focus on important plan messages.

### Print Materials

- **Custom targeted mailing:** ICMA-RC would work with you to create a custom mailing (e.g., a postcard) featuring a theme and content that are unique to your plan and promote important plan messages and goals.
- **Custom materials and banners:** Mobile, vertical stand-up banners promote specific campaigns developed for the Agency. With a simple message and call-to-action, banners and other custom materials are extremely effective when prominently placed in employee-frequented locations such as break rooms and meeting areas, reinforcing the services provided by locally based ICMA-RC representatives.
- **Custom flyers:** We would work with you to develop flyers, available for your plan representatives to print and distribute or share electronically, developed specifically for your participants that highlight key messages about your plan. Links to these flyers can also be placed on your plan website.

### Your Team

- **Presentations:** Presentations from ICMA-RC's library can be customized with your plan name, logo, and contact information for your representatives.
- **Communications Manager:** Your Communications Manager will collaborate with the Agency to plan and implement any customization of your education and communications materials.



**4.2.1.2.5 Describe how you monitor the age 70-1/2 minimum distribution requirements and how you address minimum distribution requirements for members who are still working.**

ICMA-RC follows IRS guidelines for calculating Required Minimum Distribution (RMD) amounts for all retirement plan participants who have separated from service with the plan sponsor and are over age 70½. To avoid any potential penalties, we take steps to ensure that participants withdraw at least the RMD amount from their accounts by the required dates. Participants who are still employed after age 70½ are not required to take distributions from their accounts.

**4.2.1.2.6 TPA should provide an interactive voice response system.**

- **Describe the interactive voice response (IVR) and Internet systems your company would provide, including system age and hours of accessibility. Discuss the security features in place to ensure only the correct participant is given personal information, system access controls, your Personal Identification Number (PIN) generation capabilities and on-going PIN administration capabilities, and if the IVR and Internet systems are integrated in the recordkeeping system. Include information on the vendor providing your IVR and Internet access software and hardware and how many plans currently utilize these systems.**

ICMA-RC's Voice Response System (VRS) for participant inquiries gives callers the quickest path to the most commonly requested information and frequently used functions. As an example, as soon as a participant logs in, he immediately receives his account balance and personal rate of return. We also provide personalized messages to participants with specific account status and information, as well as any outstanding items for the participant to act upon. The Self-Service phone line provides an option to hear all information in Spanish, if desired. Based on client feedback and industry best practices, the system is designed to provide the most commonly requested information to callers without the caller selecting a menu option.

The VRS and Internet site are fully integrated with our OmniDC recordkeeping system. Online transactions are written to the system directly, and the combined data on contributions, allocation changes, and fund-to-fund transfers are processed nightly. The VRS and website are subsequently updated for use the next day.

The VRS system was designed and developed in-house using the Cisco Packaged Contact Center Enterprise infrastructure and software. The software runs on Microsoft Windows hardware and is configured for redundancy and continual availability. The VRS is integrated with other ICMA-RC systems to ensure seamless processing of transactions. ICMA-RC maintains a managed services agreement with Presidio to monitor the system and to provide prompt support and upgrades as needed. At present, all ICMA-RC clients use this system.

### **Security Features**

Callers to our VRS must enter their Social Security number and a four-digit number to access account information. The last four digits of a participant's Social Security number are assigned as a default PIN and the four digits of their birth year must be entered to establish their initial PIN. Prior to accessing account information, an initial PIN must be established. Participants are allowed to change their PIN numbers as often as they like through our toll-free phone services. In the event that a participant forgets their PIN number, a Participant Services Representative can reset the system to the default PIN. Electronic alerts about a PIN change are emailed to the email address or mobile number on file immediately when such changes occur.





Participants calling a Participant Services Representative are asked specific information to validate the identity of the caller. There is a Fraud Detection System in place which evaluates various characteristics of the call as well as the caller's voice. If this system indicates that the caller is a potential fraudster, the representative offers to call the individual back at their home or office, using the numbers held in our system, and ends the call. If the system does not detect any potential fraud in the call, the representative will provide account information. In order to request financial transactions, such as a disbursement or loan request, knowledge based authentication is used. The caller must successfully answer the questions in order to proceed with their request. If the caller is unable to answer the questions correctly, the transaction will not be submitted for processing.

**4.2.1.2.7 Describe the on-line inquiry and transactional capabilities your systems support, including the hours systems are available, routine maintenance periods (include statistics for the last twelve (12) months on down time other than routine system maintenance), and capabilities for inquiries and transactions. Specifically include how each of the following activities is supported:**

- **Account balance information**
- **Fund performance**
- **Account balance reallocations**
- **Investment allocation changes**
- **Vesting**
- **Distribution initiation**
- **Plan provision explanations/assistance**
- **Tax status information**
- **Estimated benefit calculator**

ICMA-RC is committed to offering robust online and mobile services. We believe in using the Internet's power to enhance participant knowledge regarding their accounts and investments, as well as to provide plan sponsors with comprehensive detailed plan information needed to fulfill their fiduciary responsibilities.

Our website gives users access to critical information about their own accounts, as well as tools that can assist them in planning more effectively for and during their retirement years. We have added new capabilities as a result of feedback from customers through extensive usability testing and industry experts, as well as from the insight the corporation has gained as a leading retirement plan provider for public sector employees.

#### ***System Availability***

Our participant website performs at peak capability and has a better than 99% availability. However, our website is brought offline occasionally for regularly scheduled maintenance. The normal maintenance schedule, which occurs on Sunday mornings from 4:00 a.m. to 12:00 p.m. Eastern Time, is published on our website. If Account Access must be taken off line, a limited version of the site with account balance information is always made available.



Over the past 12 months<sup>1</sup>, the participant website operated at 99.92% availability with 398 minutes of downtime.

Although we occasionally bring the participant secure portal down for routine maintenance and upgrades, the website remains available. Participants can login to our contingency application and view their balance information in addition to specific messaging related to the nature of the maintenance window. This messaging is also available in the event of an unplanned outage.

### ***Account Access***

Account Access provides a secure environment for participants to review and interact with their accounts online, and gives them the ability to customize their experiences by choosing the objectives most relevant to their needs based on where they are in their retirement savings journey. Sample options include saving, managing a portfolio, and getting ready to retire. Based on each participant's personal choices, educational resources such as videos, calculators, and webinars will appear on the main dashboard.

This portion of the site provides the following capabilities:

- Messaging from ICMA-RC or the employer
- Portfolio summary of total balance, balance by fund, balance by asset class, personal rate of return and monthly income projection
- Personal performance by period for any date range within the last 5 years and activity summary
- Holdings and prices, updated daily
- Pie charts of participant's investments
- Balance by contribution type and by investment
- Allocations by investment
- Last contribution, year-to-date and inception-to-date contributions, contribution rates
- Paycheck calculator
- Fund transfers (single, multiple)
- Rebalance to contribution allocation
- Establish automated rebalancing of investment portfolio (if offered by plan)
- Custom Asset Allocations (if offered by plan)
- Contribution allocation changes
- Loan modeling and initiation (if offered by plan)
- Withdrawals for participants that have separated from service (if offered by plan)
- Account activity history
- Quicken export
- Transaction Detail Report
- Personal updates (address, email, text, security)
- Beneficiary additions/updates
- Balance eAlerts by email/text

<sup>1</sup> Period of June 1, 2018 through May 31, 2019



- Investment performance
- Share prices both numerically and on charts
- Share price comparison
- Fee disclosure and trading restrictions
- Guided Pathways<sup>®</sup> Advisory Services for investment guidance, advice and managed accounts (if offered by plan)
- Resource Learning Center
- Retirement Savings Calculator
- Register for events
- Plan features
- Quarterly statements and confirmations
- Enrollment completion (if offered by plan)
- Contribution amount changes (if offered by plan)
- Email to ICMA-RC
- Dashboard pages that help participants view important information in one place

#### ***IRA Enrollment***

Through IRA Enrollment, our online participant website makes setting up and funding an IRA with ICMA-RC as easy as clicking your computer mouse.

#### ***Retirement Education Center***

Our Retirement Education Center site ([www.icmarc.org/education](http://www.icmarc.org/education)) is an educational resource created for public sector employees as they plan for retirement throughout various stages of their lives.

The Retirement Education Center site accommodates different learning styles through innovative videos, calculators<sup>1</sup>, webinars, brochures, and other content — all organized to help current and prospective employees realize their saving, investing, and retirement needs based on their overall financial goals and life stage. Many of the tools featured on the website are also accessible via ICMA-RC's mobile app and optimized website, [www.icmarc.org](http://www.icmarc.org).

The Retirement Education Center site was created to be a simple, relevant, and easy-to-use online resource to help all public sector employees build retirement security.

#### ***Pension Calculator***

Contains the rules for a municipality's pension so that participants can obtain an estimated amount for their monthly or annual pension.

#### ***"Am I On Track"***

On-line tool that helps participants see how likely they are to reach their retirement income goal. Includes retirement readiness score and changes they can make to improve their score.

#### ***Account Aggregation***

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<sup>1</sup> These calculators are designed to provide general assistance in making informed decisions. Their accuracy is not guaranteed and some results may vary from those provided by other systems.



Account Aggregation is available to enable public sector participants to connect and receive a consolidated view of their finances (ICMA-RC accounts and other financial accounts) in one location: ICMA-RC's Account Access participant website. Account Aggregation is a free service that is available to all ICMA-RC participants. Outside accounts that can be connected include, credit card, checking, saving, brokerage, defined benefit plans, and retirement accounts.

Features of ICMA-RC's Account Aggregation service include:

- Holdings – Breaks down a participant's individual holdings across all accounts.
- Asset Allocation – Shows a participant's asset allocation across all accounts.
- Transactions – Allows a participant to see transactions from accounts and credit cards.
- Spending – Allows a participant to track their spending by categorizing credit card transactions.
- Goals – Calculates a monthly savings amount required for a participant to reach specific financial goals (i.e., I'd like \$5,000 in 10 years).

The Account Aggregation service provides participants with tools to make informed decisions while navigating toward a secure retirement.

#### ***ICMA-RC's Mobile App and myAccount***

ICMA-RC's mobile app allows on-the-go participants to access account information and educational materials when it's most convenient for them on their mobile devices. It also allows participants to quickly and easily access their ICMA-RC accounts with myAccount, our mobile account access site. Participants use their current Account Access log-in to view information such as fund balances, personal performance, and year-to-date account activity.

The mobile app offers participants the option of signing into Account Access via biometric authentication. Biometric authentication applies the unique biological characteristics of the user to verify their identity. To access this feature, the user must first authenticate on the app with their account User ID and password and then select the option to use their fingerprint or face the next time they log in. The option to use their fingerprint or face depends upon the capability available on their device. Biometric authentication can be turned off by the participant at any time.

#### ***TextAccess***

A user-friendly mobile interface is critical to public sector employees and allows us to provide solutions that meet plan participants' needs, wherever they are. ICMA-RC was among the first in our industry to roll out TextAccess, a feature that allows participants to get their current balance, contribution amount, rate of return, last disbursement, pending disbursement, outstanding loan or last three transactions directly on their smartphone device.

#### ***Additional Information***

ICMA-RC's goal is to provide a wide variety of information that helps participants build a secure retirement. This includes providing additional information that helps participants and plan sponsors become knowledgeable on retirement plans:

- Fund descriptions, including objectives, strategies, risks, and subadvisers
- Plan features
- Federal legislative updates



- Library of retirement articles
- Glossary

### **Guided Pathways<sup>®1</sup> Advisory Services**

Guided Pathways<sup>®</sup> Advisory Services is a comprehensive suite of investment advisory and planning services that provides the appropriate level of assistance to your employees based on how involved they want to be in their retirement investing decisions and their investing comfort level.

Guided Pathways<sup>®</sup> Advisory Services expands the level of service available to participants, and provides your employees with the opportunity to enroll in our Managed Accounts service.

Employees have access to Guided Pathways<sup>®</sup> Advisory Services directly through our website, over the telephone, or through a dedicated and credentialed team.

**Guided Pathways<sup>®</sup> Advisory Services** provides participants with another way to build retirement security, which includes having consultations with registered financial consultants. Our team of financial consultants will engage directly with participants to help them address their financial goals through:

- **Proactive outreach.** We will reach out to targeted participants via email, mail, or phone inviting them to set up an in-person or telephone consultation.
- **Scheduling tools.** We will offer an online scheduling tool to help participants prepare and schedule consultations.
- **Telephone consultations.** Over the phone, our financial consultants will *Engage* participants to help them *Build*, then *RealizeRetirement<sup>®</sup>*.

### **Enrollment Options**

Enrollment via ICMA-RC's mobile-app allows employees to enroll on a smartphone in a few simple clicks. To begin the process, employees download ICMA-RC's mobile app from the App Store<sup>SM</sup> or Google Play<sup>TM</sup>. Once the ICMA-RC mobile app is open, employees will go to "MyAccount," and then select the "Enroll Now" tab and enter their Social Security number.

ICMA-RC can provide the Agency with a link that can be incorporated into your Intranet site or emailed directly to new employees. Via this Web address, participants would be able to enroll directly online or by calling a Participant Services Representative. The Agency would then be able to access all enrollments electronically through our EZLink system.

We also offer an enrollment service in which the employer transmits an electronic file of eligible employees in ICMA-RC's record layout. The employee can enroll through the website.

After enrollment, the employee will receive a Welcome Letter which confirms their enrollment information.

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<sup>1</sup> Investment advice and analysis tools are offered to participants through ICMA-RC, a federally registered investment adviser. Investment advice is the result of methodologies developed, maintained and overseen by the Independent Financial Expert, Morningstar Investment Management LLC. Morningstar Investment Management LLC is a registered investment advisor and subsidiary of Morningstar, Inc. Morningstar, Inc. and Morningstar Investment Management LLC are not affiliated with ICMA-RC. All rights reserved. The Morningstar name and logo are registered marks of Morningstar, Inc.



## Benefits Calculators

ICMA-RC has developed a series of calculators that offer participants visual appeal and simplicity as well as functionality. The calculators in this series are designed to complement one another for a seamless user experience that will assist participants through a range of career stages and after retirement.

We believe that a useful calculator – generally used outside of an individual educational meeting with an onsite service representative, but to complement other guidance, and research – should be:

- **Visually appealing and inviting.** This means incorporating sufficient white space, using an easy-to-read font, and eliminating financial jargon.
- **Simple to use.** If it's too complex, the user is either likely to not use it or enter the wrong information.
- **Substantive.** If it's too basic, the outputs can lack substance.

We've structured these calculators in such a way to create a lifelong educational package. Participants can:

- Identify their retirement readiness using the **Am I On Track tool**.
- Calculate their pension benefit using the **Pension Calculator tool**.
- Identify ways to save using the **Small Change, Big Savings calculator**.
- See how tax benefits help them save in a retirement account using the **Paycheck calculator**.
- Learn about why to start saving now rather than waiting by using the **Cost of Delay calculator**.
- Save more over time using the **Savings Boost calculator**.
- Forecast future retirement savings and income, especially important as participants get closer to retirement, using the **Retirement Savings calculator**.
- Manage their retirement account distributions using the **Retirement Withdrawal calculator**.
- Manage IRS required minimum distributions using the **RMD calculator**.
- Estimate their future health care cost using the **Retiree Health Cost Estimator**.
- **Discuss the language options available for your system.**

ICMA-RC's public website contains Spanish-language content tailored to the needs of our Spanish-speaking participants. These pages provide a centralized location for our Spanish-language publications. Translations of our most popular educational brochures are available in PDF format for download or online viewing. In addition, we have translated information about the enrollment and withdrawal processes. We have also provided our Spanish-speaking participants with information about ICMA-RC and access to Spanish-speaking Participant Services representatives.

For the annual National Save for Retirement Week, ICMA-RC developed a Spanish-language website – [www.retirementweek.org/espanol](http://www.retirementweek.org/espanol) – with a friendly, culturally relevant theme for participants who feel more comfortable communicating in Spanish. This new site contains links to Spanish-language resources, including sample stories of Spanish-speaking public sector employees, that provide education about retirement topics and everyday tips for saving more.



- **Describe the interface between the IVR and/or website if a participant elects to move from the IVR and/or website to a service representative**

Participants may voluntarily elect to opt out of the ICMA-RC VRS to speak to a Participant Services Representative about their account or to request a transaction by pressing “0” at any point or the participant can stay on the line and they will be routed to the next available representative. If participants select Spanish as their language of choice when first reaching the self-service phone line and then wish to opt out, they will be routed to the next available bi-lingual Spanish speaker. Participant Services Representatives are available 8:30 a.m. to 9:00 p.m. Eastern Time Monday through Friday on business days that the New York Stock Exchange is open. We have translation services available for participants who need assistance in a language other than English or Spanish.

For those on the participant website, phone numbers are available on the site that participants can use to call a Participant Services Representative rather than continue online. In addition, Participant Services Representative can view pending transactions submitting online. In addition, Participant Services representatives have instant access to view a participant’s account online in order to walk them through how to locate information and submit a transaction online.

- **How often is the data on the website updated?**

The Voice Response System (VRS) and Internet site are fully integrated with our OmniDC record- keeping system. Online transactions are written to the system directly, and the combined data on contributions, allocation changes, and fund-to-fund transfers are processed nightly. The VRS and website are subsequently updated for use the next day.

- **How do the IVR and website interface with the recordkeeping system?**

Our voice response and Internet systems are fully integrated with our core recordkeeping system. Each day, after 4:00 p.m. Eastern Time, the day’s transaction requests are transferred from the Internet UNIX platform to the mainframe recordkeeping system. After daily processing, the voice response system is updated for use the following day.

**4.2.1.2.8 It is preferred that the TPA distribute a TPA developed and Agency approved educational newsletter and any "statement stuffers" communications as deemed necessary by the Agency to all plan participants using the distribution method that the plan participant has elected for their quarterly statements. Please provide an example of the educational newsletter.**

The quarterly participant newsletter is included in the same envelope as the quarterly statements. For those who receive statements electronically, a PDF version of the newsletter is included with the PDF statement inserts that are applicable to the participant’s plan. We will provide two versions of our quarterly newsletter to your participants – the version each participant receives will depend on which category they are in: Early Career or Late Career.

A copy of each version of the newsletter can be found in the [Appendix](#).



### 4.2.1.3 Investments

**4.2.1.3.1 TPA should provide a wide spectrum of investment options, including target date investment series, without front or back loads or other charges, based on best of class, and that best meet the needs of the members and beneficiaries of the TDC Plan. (Agency will not accept options that include proprietary funds only and may require the TPA to use certain funds.) The Agency's Board has ultimate discretion in final selection of investment options.**

Confirmed.

- **Discuss your ability to provide investment options for the TDC Plan, disclosing whether you would be providing the investments in-house or through external managers.**

ICMA-RC makes available an extensive array of investment choices, beginning with our proprietary collective investment trusts, the Vantagepoint PLUS Fund (a stable value fund), the VT Retirement IncomeAdvantage Fund (a guaranteed income fund), and the Vantagepoint Funds. The Vantagepoint Funds include a broad selection of fund choices to help meet your participants' investment objectives, including fixed income, equity, target-date, and target-risk funds; domestic and international funds; actively managed and passively managed funds.

While the Agency can select from ICMA-RC's proprietary funds, it should be noted that we are proposing open architecture for the Agency. ICMA-RC makes available a mutual fund platform, which currently includes several thousand funds in more than 100 fund families. In addition, through our third-party mutual fund settlement and clearing agent, we have access to approximately 450 fund families and over 15,000 funds/share classes. Should you desire a fund that is not currently on our platform, and that fund is currently available to us, we will work with you to add the fund to our platform.

A list of funds that ICMA-RC currently administers<sup>1</sup> is provided in the [Appendix](#).

ICMA-RC can administer non-proprietary stable value funds and fixed accounts that provide a timely monthly or quarterly rate factor or a timely daily NAV in a manner consistent with ICMA-RC operational processes regarding daily trading and funding, reconciliations, and performance information. ICMA-RC can also administer daily valued commingled funds held in the name of the plan that are traded through the NSCC or with industry standard trade processing procedures. Protocols for transmitting performance and investment information to ICMA-RC would need to be mutually agreed upon between ICMA-RC and the fund manager.

<sup>1</sup> Inclusion of a fund on this list does not guarantee its availability to a plan. Final availability can only be determined through direct confirmation with the fund family. This fund information was compiled from a variety of third party sources. To the best of ICMA-RC's knowledge, the information was current and accurate as of the date(s) ICMA-RC obtained the information, but ICMA-RC has not performed due diligence on the information and does not guarantee its accuracy or reliability. The data incorporated herein is solely and exclusively for your use as it pertains to your request. You will not use or permit any individual or entity under your control to use this data or any portion of thereof for any purpose other than explicitly contemplated hereby, including, but not limited to, any unlawful or unauthorized purpose. This information is being provided in response to your request. Availability of a fund or share class to a particular plan may be based on a variety of criteria, including, but not limited to: plan assets, average account balance and net cash flow; contract term; services provided by ICMA-RC and/or its affiliates; and other plan specific factors. Expense ratios, revenue and fund availability are subject to change. Some funds may impose investment minimums and/or a contingent redemption fee. This information is not intended to be and should not be considered investment advice. ICMA-RC is not responsible for any damages or losses arising from any use of this information.





- **How long have you been providing investment services?**

ICMA-RC has been providing investment services since 1972.

- **Discuss the number and types of investments you have available.**

ICMA-RC makes available an extensive array of investment choices, beginning with our proprietary collective investment trusts, the Vantagepoint PLUS Fund (a stable value fund), the VT Retirement IncomeAdvantage Fund (a guaranteed income fund), and the Vantagepoint Funds. The Vantagepoint Funds include a broad selection of fund choices to help meet your participants' investment objectives, including fixed income, equity, target-date, and target-risk funds; domestic and international funds; actively managed and passively managed funds.

While the Agency can select from ICMA-RC's proprietary funds, it should be noted that we are proposing open architecture for the Agency. ICMA-RC makes available a mutual fund platform, which currently includes several thousand funds in more than 100 fund families. In addition, through our third-party mutual fund settlement and clearing agent, we have access to approximately 450 fund families and over 15,000 funds/share classes. Should you desire a fund that is not currently on our platform, and that fund is currently available to us, we will work with you to add the fund to our platform.

A list of funds that ICMA-RC currently administers<sup>1</sup> is provided in the [Appendix](#).

- **What is the name of your custodian and will it act as trustee for all TDC Plan assets?**

At the plan sponsor's request, Matrix Trust Company can provide passive-directed trustee services. ICMA-RC will provide plan administration and make investment options available.

- **Discuss your screening process for selecting investment options to recommend to a client (and specifically the investment options you propose for the JDC Plan).**

ICMA-RC's identified fund line-up is not advice to the plan sponsor on the composition of the plan's fund line-up. ICMA-RC provides plan sponsors fund information to assist them in meeting their fiduciary responsibility in managing the plan. The plan sponsor retains the obligation to prudently select and monitor the investment funds it offers to plan participants. ICMA-RC may adjust fees commensurate with changes in revenue from alternative funds selected by the plan sponsor from ICMA-RC's mutual fund platform.

As ICMA-RC is making an open architecture lineup available for your plan, we will provide tools to assist plan sponsors with investment selection and due diligence.

<sup>1</sup> Inclusion of a fund on this list does not guarantee its availability to a plan. Final availability can only be determined through direct confirmation with the fund family. This fund information was compiled from a variety of third party sources. To the best of ICMA-RC's knowledge, the information was current and accurate as of the date(s) ICMA-RC obtained the information, but ICMA-RC has not performed due diligence on the information and does not guarantee its accuracy or reliability. The data incorporated herein is solely and exclusively for your use as it pertains to your request. You will not use or permit any individual or entity under your control to use this data or any portion thereof for any purpose other than explicitly contemplated hereby, including, but not limited to, any unlawful or unauthorized purpose. This information is being provided in response to your request. Availability of a fund or share class to a particular plan may be based on a variety of criteria, including, but not limited to: plan assets, average account balance and net cash flow; contract term; services provided by ICMA-RC and/or its affiliates; and other plan specific factors. Expense ratios, revenue and fund availability are subject to change. Some funds may impose investment minimums and/or a contingent redemption fee. This information is not intended to be and should not be considered investment advice. ICMA-RC is not responsible for any damages or losses arising from any use of this information.



ICMA-RC will provide a quarterly investment review online and will deliver the report onsite at least annually (and more frequently if desired). This report, which is a component of our Plan Service Report, provides the following information in support of investment due diligence:

- Economic and market review.
- Summary of funds made available by your plan.
- Fund, benchmark and peer returns, Morningstar ratings, and comparisons of fund performance vs. Morningstar peers.

An ICMA-RC investment professional will be available to meet with the State on-site annually and by phone quarterly to review this report and address questions you may have regarding the plan's fund line-up. Please see the sample Plan Service Report in the [Appendix](#).

- **Discuss how you monitor and evaluate funds, including the ongoing monitoring of each fund and fund manager against the TDC Plan Investment Policy.**

ICMA-RC is making an open architecture lineup available for your plan. For these lineups, ICMA-RC will provide tools to assist plan sponsors with investment selection and due diligence.

ICMA-RC will provide a quarterly investment review online and will deliver the report onsite at least annually (and more frequently if desired). This report, which is a component of our Plan Service Report, provides the following information in support of investment due diligence:

- Economic and market review.
- Summary of funds made available by your plan.
- Fund, benchmark and peer returns, Morningstar ratings, and comparisons of fund performance vs. Morningstar peers.

An ICMA-RC investment professional will be available to meet with the State on-site annually and by phone quarterly to review this report and address questions you may have regarding the plan's fund line-up. Please see the sample Plan Service Report in the [Appendix](#).

In addition, ICMA-RC would make our Fiduciary Framework service available to the Agency if this was a service that you would find beneficial. A description of this optional service is provided below.

### **Fiduciary Framework**

In keeping with our commitment to help public sector employers enable their employees to build retirement security, ICMA-RC has contracted with the Investment Strategies group at Mesirow Financial, a leading independent third-party investment management firm, to make available Fiduciary Framework.<sup>1</sup> There are two available levels of service available. The fees for each are described below:

#### ***Unbiased Fund Recommendations – 3(21) Equivalent Fiduciary Service***

- The fee for Mesirow Financial's Fiduciary Framework 3(21) services would be 0.02% of plan assets for the first \$50 million and 0.015% for assets over \$50 million.

#### ***Plan Lineup Construction – 3(38) Equivalent Fiduciary Service***

<sup>1</sup> Advisory Services offered by Mesirow Financial Investment Management Inc. ("MFIM"). MFIM is an SEC registered investment advisor and is not affiliated with ICMA-RC. As part of Fiduciary Framework, ICMA-RC is not proposing any funds or any particular lineup and is not acting as a fiduciary.



- The fee for Mesirow Financial's Fiduciary Framework 3(38) service is 0.05% of plan assets.

Fiduciary Framework is designed to help make your fiduciary responsibilities more manageable by providing:

#### ***Unbiased Fund Recommendations – 3(21) Equivalent Fiduciary Service***

Utilizing a combination of quantitative and qualitative screening criteria, Mesirow Financial evaluates a broad list of investment options administered by ICMA-RC, including both proprietary and non-proprietary funds.

From this initial list of options, Mesirow Financial creates the Mesirow Financial "Elite List" which includes a wide range of funds that meet Mesirow Financial's minimum criteria for fund selection in asset classes that are appropriate for long term retirement investing. From the Elite List, you can select investments to build a diversified plan investment lineup.

For more information please see the *Mesirow Financial 3-21 Fiduciary Partnership Service* brochure and the *Fiduciary Framework 3-21 Service Brochure for Plan Sponsors* included in the **Appendix**.

#### ***Plan Lineup Construction – 3(38) Equivalent Fiduciary Service***

Utilizing a combination of quantitative and qualitative screening criteria, Mesirow Financial assumes full discretion for selecting the investment options offered within the plan lineup.

For more information please see the *Mesirow Financial 3-38 Fiduciary Partnership Service* brochure included in the **Appendix**.

#### ***Ongoing Fund Monitoring and Reporting***

Mesirow Financial provides a quarterly reporting package, including market commentary and a detailed fund due diligence report, the Mesirow Financial POLICE Report®. The same analysis used to construct the plan lineup for the 3(38) service and the Elite List for the 3(21) service is the basis of the ongoing fund monitoring reflected in the Mesirow Financial POLICE Report®.

The Mesirow Financial POLICE Report® identifies current and potential issues with funds on the Elite List. These funds remain on the Mesirow Financial POLICE Report® while these concerns are monitored, and are removed from the Mesirow Financial POLICE Report® when the issues have been resolved. If the issues are not resolved, the funds may be removed from the plan lineup for the 3(38) service or the Elite List for the 3(21) service at Mesirow's discretion.

If the Agency desires the Mesirow Fiduciary Framework 3(21) service, all watch list recommendations come from Mesirow. In the case of 3(38) service, Mesirow would also decide replacement and mapping in lieu of the committee.

#### ***Fiduciary Protection***

Under Fiduciary Framework, Mesirow Financial enters into an investment advisory contract with the plan sponsor in which Mesirow acknowledges its fiduciary status to the plan (consistent with Section 3(21)(A)(ii) or 3(38) of ERISA).

For the 3(21) service, assuming your lineup meets core asset class category requirements, Mesirow Financial will explicitly take fiduciary responsibility for all investments on the Elite List that you choose to include in your plan lineup.



You may also offer funds that are not included on the Mesirow Financial Elite List; however, Mesirow Financial will only act as a fiduciary for the funds included on the Elite List.

ICMA-RC does not recommend any funds or any particular lineup and is not acting as a fiduciary regarding Mesirow's services.

#### ***Sample Investment Policy Statement***

Plan sponsors will receive a sample Investment Policy Statement as part of Fiduciary Framework.

- **Discuss your proposed standards for putting an investment on "watch" status and for removing and/or replacing an investment from the list of options offered (including mapping).**

ICMA-RC is making an open architecture lineup available for your plan. For these lineups, ICMA-RC will provide tools to assist plan sponsors with investment selection and due diligence.

ICMA-RC will provide a quarterly investment review online and will deliver the report onsite at least annually (and more frequently if desired). This report, which is a component of our Plan Service Report, provides the following information in support of investment due diligence:

- Economic and market review.
- Summary of funds made available by your plan.
- Fund, benchmark and peer returns, Morningstar ratings, and comparisons of fund performance vs. Morningstar peers.

An ICMA-RC investment professional will be available to meet with the State on-site annually and by phone quarterly to review this report and address questions you may have regarding the plan's fund line-up. Please see the sample Plan Service Report in the [Appendix](#).

In addition, ICMA-RC would make our Fiduciary Framework service available to the Agency if this was a service that you would find beneficial. A description of this optional service is provided below.

#### **Fiduciary Framework**

In keeping with our commitment to help public sector employers enable their employees to build retirement security, ICMA-RC has contracted with the Investment Strategies group at Mesirow Financial, a leading independent third-party investment management firm, to make available Fiduciary Framework.<sup>1</sup> There are two available levels of service available. The fees for each are described below:

#### ***Unbiased Fund Recommendations – 3(21) Equivalent Fiduciary Service***

- The fee for Mesirow Financial's Fiduciary Framework 3(21) services would be 0.02% of plan assets for the first \$50 million and 0.015% for assets over \$50 million.

<sup>1</sup> Advisory Services offered by Mesirow Financial Investment Management Inc. ("MFIM"). MFIM is an SEC registered investment advisor and is not affiliated with ICMA-RC. As part of Fiduciary Framework, ICMA-RC is not proposing any funds or any particular lineup and is not acting as a fiduciary.



### ***Plan Lineup Construction – 3(38) Equivalent Fiduciary Service***

- The fee for Mesirow Financial's Fiduciary Framework 3(38) service is 0.05% of plan assets.

Fiduciary Framework is designed to help make your fiduciary responsibilities more manageable by providing:

### ***Unbiased Fund Recommendations – 3(21) Equivalent Fiduciary Service***

Utilizing a combination of quantitative and qualitative screening criteria, Mesirow Financial evaluates a broad list of investment options administered by ICMA-RC, including both proprietary and non-proprietary funds.

From this initial list of options, Mesirow Financial creates the Mesirow Financial "Elite List" which includes a wide range of funds that meet Mesirow Financial's minimum criteria for fund selection in asset classes that are appropriate for long term retirement investing. From the Elite List, you can select investments to build a diversified plan investment lineup.

For more information please see the *Mesirow Financial 3-21 Fiduciary Partnership Service* brochure and the *Fiduciary Framework 3-21 Service Brochure for Plan Sponsors* included in the **Appendix**.

### ***Plan Lineup Construction – 3(38) Equivalent Fiduciary Service***

Utilizing a combination of quantitative and qualitative screening criteria, Mesirow Financial assumes full discretion for selecting the investment options offered within the plan lineup.

For more information please see the *Mesirow Financial 3-38 Fiduciary Partnership Service* brochure included in the **Appendix**.

### ***Ongoing Fund Monitoring and Reporting***

Mesirow Financial provides a quarterly reporting package, including market commentary and a detailed fund due diligence report, the Mesirow Financial POLICE Report®. The same analysis used to construct the plan lineup for the 3(38) service and the Elite List for the 3(21) service is the basis of the ongoing fund monitoring reflected in the Mesirow Financial POLICE Report®.

The Mesirow Financial POLICE Report® identifies current and potential issues with funds on the Elite List. These funds remain on the Mesirow Financial POLICE Report® while these concerns are monitored, and are removed from the Mesirow Financial POLICE Report® when the issues have been resolved. If the issues are not resolved, the funds may be removed from the plan lineup for the 3(38) service or the Elite List for the 3(21) service at Mesirow's discretion.

### ***Fiduciary Protection***

Under Fiduciary Framework, Mesirow Financial enters into an investment advisory contract with the plan sponsor in which Mesirow acknowledges its fiduciary status to the plan (consistent with Section 3(21)(A)(ii) or 3(38) of ERISA).

For the 3(21) service, assuming your lineup meets core asset class category requirements, Mesirow Financial will explicitly take fiduciary responsibility for all investments on the Elite List that you choose to include in your plan lineup.



You may also offer funds that are not included on the Mesirow Financial Elite List; however, Mesirow Financial will only act as a fiduciary for the funds included on the Elite List.

ICMA-RC does not recommend any funds or any particular lineup and is not acting as a fiduciary regarding Mesirow's services.

### ***Sample Investment Policy Statement***

Plan sponsors will receive a sample Investment Policy Statement as part of Fiduciary Framework.

- **Describe how you offer specific investment advice to individual participants and your associated fiduciary duties.**

ICMA-RC offers a comprehensive suite of investment advisory and planning services through our **Guided Pathways<sup>®</sup> Advisory Services<sup>1</sup>** program, providing the appropriate level of assistance to your employees based on how involved they want to be in their retirement investing decisions. Employees have access to Guided Pathways<sup>®</sup> Advisory Services over the telephone, through a dedicated and credentialed team, or directly through our website.

Guided Pathways<sup>®</sup> Advisory Services begins with a personalized retirement savings plan that provides employees with a wealth forecast developed from their individual information. Based on this wealth forecast, employees receive a savings rate recommendation and can see how changing certain factors impact their chances of reaching their retirement goals.

Building on the retirement savings plan, Guided Pathways<sup>®</sup> Advisory Services provides three types of service that enable your employees to choose the level of investment advice and account management that best meets their needs and preferences:

- **Asset Class Guidance** provides employees with a recommendation on how to divide their retirement plan assets among the different asset classes available in your plan. However, employees remain responsible for selecting the actual funds to fill the recommended asset classes.
- **Fund Advice** provides employees with a point-in-time, fund-specific investment portfolio recommendation from the funds available within your plan. Employees remain responsible for monitoring their account and initiating any investment changes.
- **Managed Accounts** offers a higher level of service than Asset Class Guidance or Fund Advice. Employees benefit from ongoing discretionary professional management of their retirement accounts, with the objective of helping them reach their retirement goals. At any time, employees may elect to opt out of Managed Accounts and go back to managing their own accounts.
- Managed Accounts is targeted for the accumulation, near retirement, and retiree phases and provides an individually designed portfolio based on the employee's goals and savings capacity. Although only retirement plan assets will be managed, other assets or sources of retirement income (i.e., spousal assets, defined benefit pensions, retail brokerage accounts, etc.) can be considered for the purpose of determining the

<sup>1</sup> Investment advice and analysis tools are offered to participants through ICMA-RC, a federally registered investment adviser. Investment advice is the result of methodologies developed, maintained and overseen by the Independent Financial Expert, Morningstar Investment Management LLC. Morningstar Investment Management LLC is a registered investment advisor and subsidiary of Morningstar, Inc. Morningstar, Inc. and Morningstar Investment Management LLC are not affiliated with ICMA-RC. All rights reserved. The Morningstar name and logo are registered marks of Morningstar, Inc.



appropriate allocation for the retirement plan account. Portfolios are constructed from the investment options available in the plan.

On an ongoing basis, ICMA-RC assumes the discretionary management of the employee's retirement plans investments. ICMA-RC reallocates the account among available plan investments in accordance with the Morningstar Investment Management recommended portfolio. ICMA-RC will rebalance the account quarterly to provide investment allocations consistent with the Morningstar Investment Management recommendation, and will contact employees annually to inform them of their account status and obtain updated information that may impact their retirement investing goals and the allocation of their investment assets.

All three Guided Pathways<sup>®</sup> Advisory Services help your employees transition from building up their savings to drawing them down. When they reach retirement, Guided Pathways<sup>®</sup> Advisory Services will automatically adjust the advice provided to assist them with their retirement income planning, with the goal of making their assets last throughout retirement. Guided Pathways<sup>®</sup> Advisory Services provides personalized projections, both at an aggregate level and detailed by each source of retirement income (e.g., ICMA-RC accounts, Social Security, pensions, outside accounts), designed to help them make their retirement income last over their life expectancy.

If offered by the plan and appropriate for the individual employee, employees who are nearing retirement or are retired may receive a recommendation to invest a portion of their ICMA-RC retirement plan assets in the VT Retirement Income Advantage Fund (Fund), a fund of VantageTrust that provides for guaranteed lifetime income.<sup>1</sup>

Guided Pathways<sup>®</sup> Advisory Services also offer participants the opportunity to have consultations with financial consultants. Our team of advisers will engage directly with participants to help them address their financial goals through:

- **Proactive outreach.** We can reach out to targeted participants via email, mail, or phone inviting them to set up an in-person telephone consultation.
- **Scheduling tools.** We offer an online scheduling tool to help participants prepare and schedule consultations.
- **Telephone consultations.** Over the phone, our financial consultants will Engage participants to help them Build, then Realize Retirement<sup>®</sup>.

<sup>1</sup> Prudential Retirement Insurance and Annuity Company (Prudential), CA COA #08003, Hartford, CT. Neither Prudential nor ICMA-RC guarantees the investment performance or return on contributions to Prudential's Separate Account. You should carefully consider the objectives, risks, charges, expenses and underlying guarantee features before purchasing this product. Prudential may increase the Guarantee Fee in the future, from 1.00% up to a maximum of 1.50%. Like all variable investments, this Fund may lose value. Availability and terms may vary by jurisdiction; subject to regulatory approvals. Annuity contracts contain exclusions, limitations, reductions of benefits and terms for keeping them in force. Guarantees are based on Prudential's claims-paying ability. This annuity is issued under Contract form # GA-2020-TGWB4-0805-RC. ICMA-RC provides recordkeeping services to your Plan and is the investment manager of the underlying Prudential separate account. Prudential or its affiliates may compensate ICMA-RC for providing these and related administrative services in connection with the Fund. Variable annuities are suitable for long-term investing, particularly retirement savings. ©2019 Prudential, the Prudential logo, and the Rock symbol and Bring Your Challenges are service marks of the Prudential Insurance Company of America, Newark, NJ, and its related entities, registered in many jurisdictions worldwide. Note: Participants who are interested in the VT Retirement Income Advantage Fund must first receive and read the VT Retirement Income Advantage Fund Important Considerations document, before investing.



### Fiduciary Responsibility

To the extent it is determined that ICMA-RC exercises discretion in regards to the administrative services or plan related products made available to the State, ICMA-RC would accept fiduciary responsibility for those activities and related products.

ICMA-RC is the Registered Investment Adviser for the Guided Pathways<sup>®</sup> Advisory Services<sup>1</sup> program offered to participants. As part of Guided Pathways<sup>®</sup> Advisory Services, ICMA-RC has a contract with Morningstar Investment Management LLC ("Morningstar Investment Management"), an SEC-registered investment adviser, and a subsidiary of Morningstar, Inc. under which Morningstar Investment Management serves as the Independent Financial Expert.

- **Discuss any investment advisory services you offer along with the cost structure that enable participants to elect the discretionary management of investments.**

ICMA-RC offers a comprehensive suite of investment advisory and planning services through our **Guided Pathways<sup>®</sup> Advisory Services<sup>2</sup>** program, providing the appropriate level of assistance to your employees based on how involved they want to be in their retirement investing decisions. Employees have access to Guided Pathways<sup>®</sup> Advisory Services over the telephone, through a dedicated and credentialed team, or directly through our website.

The **Guided Pathways<sup>®</sup> Advisory Services** are described in our answer above.

### Fees for Investment Advice Services

Fees<sup>3</sup> for investment advice through our **Guided Pathways<sup>®</sup> Advisory Services<sup>4</sup>** programs are as follows:

- **Asset Allocation Guidance** – This service is available at no charge.
- **Fund Advice** – There is an annual fee<sup>5</sup> of \$20 for participants who choose to use this service.

<sup>1</sup> Investment advice and analysis tools are offered to participants through ICMA-RC, a federally registered investment adviser. Investment advice is the result of methodologies developed, maintained and overseen by the Independent Financial Expert, Morningstar Investment Management LLC. Morningstar Investment Management LLC is a registered investment adviser and subsidiary of Morningstar, Inc. Morningstar, Inc. and Morningstar Investment Management LLC are not affiliated with ICMA-RC. All rights reserved. The Morningstar name and logo are registered marks of Morningstar, Inc.

<sup>2</sup> Investment advice and analysis tools are offered to participants through ICMA-RC, a federally registered investment adviser. Investment advice is the result of methodologies developed, maintained and overseen by the Independent Financial Expert, Morningstar Investment Management LLC. Morningstar Investment Management LLC is a registered investment adviser and subsidiary of Morningstar, Inc. Morningstar, Inc. and Morningstar Investment Management LLC are not affiliated with ICMA-RC. All rights reserved. The Morningstar name and logo are registered marks of Morningstar, Inc.

<sup>3</sup> Underlying mutual fund expenses and plan administration fees still apply. Please consult the applicable disclosure materials for a description of these fees and expenses.

<sup>4</sup> Investment advice and analysis tools are offered to participants through ICMA-RC, a federally registered investment adviser. Investment advice is the result of methodologies developed, maintained and overseen by the Independent Financial Expert, Morningstar Investment Management LLC. Morningstar Investment Management LLC is a registered investment adviser and subsidiary of Morningstar, Inc. Morningstar, Inc. and Morningstar Investment Management LLC are not affiliated with ICMA-RC. All rights reserved. The Morningstar name and logo are registered marks of Morningstar, Inc.

<sup>5</sup> Underlying mutual fund expenses and plan administration fees still apply. Please consult the applicable disclosure materials for a description of these fees and expenses.





- **Managed Accounts** – Participants who use Managed Accounts are charged an additional asset-based fee based on the following schedule:

| Participant Account Balance | Annual Fee                |
|-----------------------------|---------------------------|
| First \$100,000             | 0.40%                     |
| Next \$100,000              | 0.35%                     |
| Next \$300,000              | 0.25%                     |
| Over \$500,000              | No additional fee charged |

Under this fee schedule, no participant is charged more than \$1,500 per year for Managed Accounts.

- **Complete the chart in the Appendix II to demonstrate the investment options you propose (Investment Options Proposed).**

Please see the attached spreadsheet file named *Investment Options Form* provided in the **Appendix**.

- **You do not have to propose an investment option for each category. Explain why you have chosen not to propose an investment option for any investment category.**

ICMA-RC is making available a lineup with at least one fund mapped from the funds listed on page 10 of the Investment Policy Statement.

- **Describe your company's ability to provide pre-assembled asset allocation, target date series.**

**Vantagepoint Milestone Funds<sup>1</sup> - ICMA-RC's Proprietary Option**

The Vantagepoint Milestone Funds are target-date funds that are intended to help investors accumulate savings throughout their careers and then preserve savings in retirement. These funds offer asset allocation, fund selection, and rebalancing through a single fund based on when withdrawals from the fund are expected to begin, typically at or after retirement (assumed to occur at age 62). For example, the Vantagepoint Milestone 2020 Fund is designed for investors who expect to begin making gradual withdrawals within a few years of 2020.



The VT Vantagepoint Milestone Funds are diversified, multi-manager, multi-strategy target date funds.

The Fund invests in a single underlying VT III Vantagepoint Fund with a corresponding name, objective and strategy. The underlying fund invests in a combination of other VT III Vantagepoint Funds. The underlying fund uses an asset allocation strategy designed for investors who expect to begin making withdrawals from their investment, typically at or after retirement (assumed to occur at age 62), in or around the year stated in the Fund's name. As

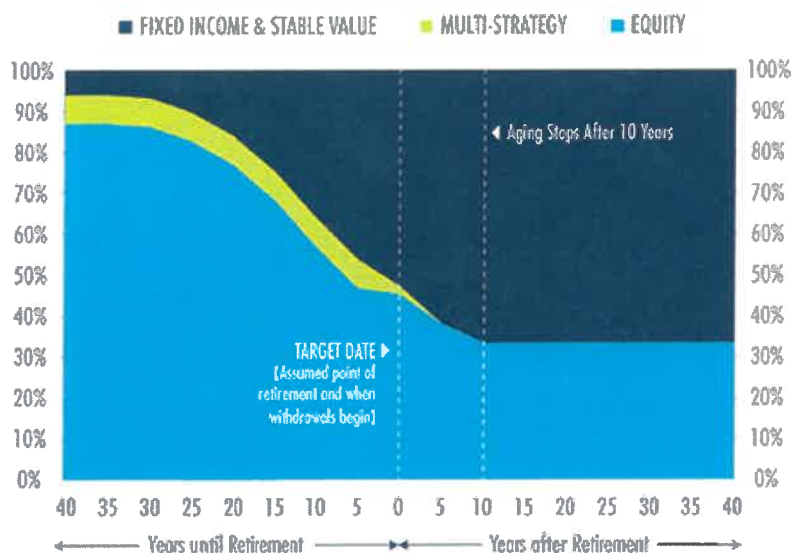
<sup>1</sup> The Fund is not a complete solution for all of your retirement savings needs. An investment in the Fund includes the risk of loss, including near, at or after the target date of the Fund. There is no guarantee that the Fund will provide adequate income at and through an investor's retirement.



time elapses, the underlying fund's allocation to equity and multi-strategy investments decreases and its allocation to fixed income investments increases such that the asset allocation becomes more conservative over time until it reaches a final constant asset allocation approximately ten years after the year in its name. The underlying fund invests in a combination of equity, fixed income, and multi-strategy investments that its investment adviser believes to be appropriate.

The Vantagepoint Milestone Funds are target date funds. Each invests in a single VT III Vantagepoint Milestone Fund (Milestone Fund) that shares its name and investment objective. In turn, each underlying Milestone Fund is a fund of funds that invests in a combination of other VT III Vantagepoint Funds. By investing in this way, each Milestone Fund is exposed to the risks as well as the potential rewards of its underlying funds and of the portfolio holdings and strategies of those funds. The targeted allocation of each underlying Milestone Fund's assets among underlying funds and the asset classes they represent is determined by Vantagepoint Investment Advisers, LLC (VIA), the investment adviser to both the Milestone Funds and the underlying VT III Vantagepoint Funds. Over time, VIA will adjust the asset allocation of each dated Milestone Fund to seek to become more conservative as the year designated in its name approaches and for approximately 10 years beyond the designated year. This is intended to reduce investment risk as investors move toward and into retirement. However, there is no guarantee that this goal will be achieved and investors may lose money investing in the Milestone Funds. Ten years after the date in the Milestone Fund's name, it will reach its landing point and its target asset allocation becomes constant. It is expected that when a Milestone Fund reaches its landing point it will merge with the Milestone Retirement Income Fund.

The asset allocation changes that occur over time as depicted in the accompanying Glide Path are referred to as neutral targets because they do not reflect decisions that may be made by VIA to overweight or underweight a particular asset class based on market or operational factors. The neutral targets also do not reflect performance differences between the Fund's asset allocations that will cause temporary deviations from the neutral targets. The actual asset class allocation of the Fund may vary from the neutral target by as much as five percentage points as a result of VIA's allocation decisions, performance differences between asset classes of the Fund, or some combination thereof.





### Target Date Funds in Our Open Architecture Platform

ICMA-RC also makes available target date series funds as part of our open architecture mutual fund platform. The platform currently includes several thousand funds in more than 100 fund families. In addition, through our third-party mutual fund settlement and clearing agent, we have access to approximately 450 fund families and over 15,000 funds/share classes. Should you desire a fund that is not currently on our platform, and that fund is currently available to us, we will work with you to add the fund to our platform.

A list of funds that ICMA-RC currently administers<sup>1</sup> is provided in the [Appendix](#).

- **If you propose use of a stable value fund:**
  - **Describe the product, its structure, the current and minimum interest rate guarantees, how interest is credited, and the frequency of rate changes. Also provide the make-up of the underlying portfolio including asset type, percentage breakdown, credit quality, credit quality minimum guarantee, average quality, average maturity, modified duration, liquidity percentage, and yield to maturity.**

Not applicable. ICMA-RC is not proposing the use of a stable value product other than the VALIC fund currently being used by the Agency.
  - **Describe the methodology you use to calculate the interest rates, and when you will be able to provide the Agency a copy of your calculation.**

Not applicable. ICMA-RC is not proposing the use of a stable value product other than the VALIC fund currently being used by the Agency.
  - **What is the current yield on your stable value fund?**

Not applicable. ICMA-RC is not proposing the use of a stable value product other than the VALIC fund currently being used by the Agency.
  - **What yield and terms do you offer to the Agency?**

Not applicable. ICMA-RC is not proposing the use of a stable value product other than the VALIC fund currently being used by the Agency.

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<sup>1</sup> Inclusion of a fund on this list does not guarantee its availability to a plan. Final availability can only be determined through direct confirmation with the fund family. This fund information was compiled from a variety of third party sources. To the best of ICMA-RC's knowledge, the information was current and accurate as of the date(s) ICMA-RC obtained the information, but ICMA-RC has not performed due diligence on the information and does not guarantee its accuracy or reliability. The data incorporated herein is solely and exclusively for your use as it pertains to your request. You will not use or permit any individual or entity under your control to use this data or any portion of thereof for any purpose other than explicitly contemplated hereby, including, but not limited to, any unlawful or unauthorized purpose. This information is being provided in response to your request. Availability of a fund or share class to a particular plan may be based on a variety of criteria, including, but not limited to: plan assets, average account balance and net cash flow; contract term; services provided by ICMA-RC and/or its affiliates; and other plan specific factors. Expense ratios, revenue and fund availability are subject to change. Some funds may impose investment minimums and/or a contingent redemption fee. This information is not intended to be and should not be considered investment advice. ICMA-RC is not responsible for any damages or losses arising from any use of this information.



- **Describe the fund expense ratio for your stable value or equivalent fund and confirm that you will not assess any market value adjustments.**

Not applicable. ICMA-RC is not proposing the use of a stable value product other than the VALIC fund currently being used by the Agency.

- **Discuss how the book to market differential will be handled should there be a termination of the contract prior to the end of the contract term.**

Not applicable. ICMA-RC is not proposing the use of a stable value product other than the VALIC fund currently being used by the Agency.

- **In the event of bankruptcy, where do the investors in the stable value fund stand in line of creditors.**

Not applicable. ICMA-RC is not proposing the use of a stable value product other than the VALIC fund currently being used by the Agency.

- **Specify and discuss your total weighted average revenue requirement.**

ICMA-RC's revenue requirement is based on our assessment of the growth of assets for the term of our contract. This estimate incorporates anticipated net cash flow, participant growth, market changes and inflation.

As requested by the Agency, we have provided specific information related to our fees in the Pricing Proposal.

- **Describe the investment options you propose be offered by completing the forms provided in the Appendix II. Two forms require listing proposed investments by category, annual rates of return as of June 30, 2018, investment objective, inception date, manager, manager tenure, assets, expense ratio, revenue sharing, 12b-1 and any other fees. An additional form requires listing target-date series and the annual rate of return for each.**

Please see the *Investment Options Form* and *Fund Lineup Data* files provided in the Cost Proposal [Appendix](#).

- **Discuss the fund(s) you would propose for the Qualified Default Investment Alternatives (QDIA) option and why.**

We are making available American Funds Target-Date Funds for participants who do not wish to actively manage their own asset allocation strategy and also as the Qualified Default Investment Alternatives (QDIA) option to comply with the Investment Policy Statement requirement.

**4.2.1.3.2 TPA should not impose any limitations such as a maximum number of changes, contribution investment transfers or elections. However, the TDC Plan will consider an excessive trading policy.**

Confirmed. A participant can change their future investment allocation daily, with no limit (this is not a financial transaction). A participant can make trades daily; however, that activity will be flagged if it violates the frequent trading policy and handled in the appropriate manner. A copy of our frequent trading policy can be found in the [Appendix](#).



#### 4.2.1.3.3 TPA should provide written confirmation of changes to Participant accounts within two (2) business days of the change.

Confirmed. Fund transfer and allocation change confirmation letters are mailed to a participant's home and/or made available electronically within two business days of a transaction being executed.

#### 4.2.1.4 Transition

##### 4.2.1.4.1 TPA should provide a working plan that facilitates the transition.

- **Provide a detailed transition plan, including your team; a Gantt chart with proposed commencement date, schedule and status meetings; responsibilities of the Agency, the TPA and any other necessary entity; and any other information you believe is appropriate. If a black-out period is required, discuss its length and any other restrictions. (Note: This will be a working document and will be amended .and updated as needed if your firm is selected as the TPA.)**

ICMA-RC is highly experienced in converting retirement plans of all sizes. We have significant experience in converting mature plans from Empower. Our objective during the implementation is to maximize participant satisfaction and limit the time your personnel need to dedicate to the process.

We make every effort to ensure that the conversion process appears seamless to all participants. We provide written notification to all participants, both active and non-active, describing the changes and any effect they will have on them. We also invite all non-active employees to group seminars designed to discuss how the changes will affect them.

ICMA-RC takes an integrated approach to structuring the implementation team, combining individuals who will serve the Agency on an ongoing basis with transition specialists. This structure ensures that all service team members are knowledgeable about the unique features of your plan from the beginning of our relationship and will provide the Agency with consistent service both during and after the transition. The following key resources will be assigned to implement the conversion:

Your relationship manager, **Rod Alcazar, Director, National Relationship Management Team**, will have overall account management responsibility and will lead the transition, as well as our ongoing service. He will serve as your primary contact and will coordinate the delivery of all ICMA-RC services.

**A Conversion Services Specialist** will manage all operational aspects of the conversion. Specialists on this individual's team will be assigned to the implementation.

**Mark Lasyone, Regional Manager**, will provide guidance and support to the Retirement Plans Specialist who will provide on-site service to the Agency and its employees. He will be responsible for leading the delivery of on-site educational services both during and after the implementation.

Your **Retirement Plans Specialist** will provide on-site education and service both during and after the transition. They will conduct specialized group transition presentations for terminated participants and individuals in distribution, if applicable.

##### **Conversion Process**

The following steps are key activities in the plan conversion process, led by our highly experienced Transition Team:



- Introductory and follow-up meetings as necessary to establish a transition project plan for converting assets and communicating service enhancements to participants.
- Meetings with Empower and the Agency to establish the mechanics of transferring assets.
- Implementation of a communication plan, including mailings to participants and retirees along with extensive access to on-site seminars.
- Creation of a transition website where your employees can access relevant information.
- Conversion tests with Empower to determine data and records that must be corrected and reconciled before the movement of money.
- Transfer of data and assets to ICMA-RC, with a reconciliation period (generally within two business days) to match assets and records, during which participants cannot make fund transfers. This includes transfer of installment payments, loan records, and brokerage assets.
- Mailing of confirmations to participants to confirm that their plan assets have been successfully transferred and invested according to the plan's fund mapping strategy.

### **The Agency's Role**

ICMA-RC specializes in managing the entire conversion process and minimizing the administrative burden on our clients. The Agency may decide the degree to which it is involved in the conversion process. The Agency may choose to be involved during the implementation process in the following ways:

- Participate in preliminary planning meetings to review and approve a detailed implementation schedule, communications material, and a schedule of introductory meetings for participants.
- Review operational procedures and services to be provided.
- Participate in regular conference calls that provide a clear line of communication to keep all parties informed on the progress of the implementation.
- Observe any group employee presentations conducted by ICMA-RC.

### **Transitioning Your Investment Options**

In keeping with our role as coordinator of the conversion process, we take special care to ensure that your participants' assets are transferred seamlessly to the new investment options.

At the start of the conversion process, we will design a fund transfer protocol based on written instructions provided by the Agency. Participants will be informed of the asset transfer structure in a mailing and during conversion education seminars.

Assets are invested according to the map within five business days of receipt, assuming that Empower provided the information "in good order." Assets are available for fund transfers after completion of the reconciliation of assets and data received from the prior vendor.

Where an investment is retained in the fund lineup, ICMA-RC will work with your existing provider to facilitate an electronic in-kind transfer of shares where permissible, so that funds do not need to be liquidated and repurchased during the transition process. The ability of ICMA-RC to provide in-kind transfers is contingent upon agreement between the fund companies involved as well as the incumbent recordkeeper.

ICMA-RC is highly experienced in coordinating in-kind transfers of funds being retained in the plan as well as self-directed brokerage accounts. We will coordinate the review and feasibility with your current provider and brokerage provider as part of the discovery process.



For self-directed brokerage assets our transition team will work with TD Ameritrade and your current brokerage account provider to facilitate the transfer. As part of this, we will work to analyze the existing shares for transfer. To the extent possible, assets will be transferred in-kind (i.e., no liquidation would be needed) using the Automated Customer Account Transfer Service (ACATS), a standard in the broker-dealer and recordkeeping industry.

### **Sample Transition Timeline**

ICMA-RC's Transition Team will work closely with you from the start of the transition process to identify and define your requirements in detail. We will design an approach that meets your requirements and implement the transition in a fashion that satisfies your needs and enhances participant satisfaction.

A typical plan conversion takes approximately three to four months, dependent upon the scope of the project. As requested, a sample Gantt Chart laying out potential milestones is included in the **Appendix**.

ICMA-RC will work with the Agency through each phase of the transition, proposing action based on our experience while gaining approval for all activity as required. Our experienced professionals will be responsible for implementing operational aspects of the conversion, establishing ongoing procedures for administering the plan, and assisting the Agency as necessary.

### **Blackout Period**

We anticipate that the blackout period for ICMA-RC will not exceed two business days from receipt of records and assets in good order. This does not include the blackout period that your current provider will need.

- **Provide a chart mapping the current investment options to the proposed investment options.**

Please see the file named *Investment Options Mapping* provided in the **Appendix**.

- **Describe how you ensure accurate transfer of all assets at fair market value.**

Accuracy of plan data, project dates and conversion reconciliation are monitored using conversion testing and audit reports of reconciliation. Various project members review data and reconciliation and are required to sign off on each aspect of the key dates of the project plan in order to ensure quality control over the transition.

- **Discuss how you plan to minimize participant impact.**

We view the consolidation of your plans as an opportunity to maximize participant satisfaction with your retirement plan program. We will take numerous steps to minimize inconvenience to participants and enhance the value of your program, including:

- Offering a transition website announcing the change and its benefits.
- Mailing an introductory letter to all active participants announcing the change and its benefits.
- Mailing an introductory letter to all inactive participants announcing the change and its benefits.
- Conducting a large number of seminars to explain new plan administrative services and investments, and showing how these enhance the plan.



- Mapping assets to new funds so participants do not need to complete forms to allocate assets in the new fund lineup.
- Carefully planning the transition to ensure installment payments are continued, payroll processing is maintained without delay, and that a minimal blackout period is provided.
- **Discuss your proposed communication plan.**

#### Initial Communication

ICMA-RC provides several channels of communication for plan participants during the transition process. We will work with you to prepare a communications plan that meets the needs of your transition. As part of this, we will prepare materials, work with you for final approval on the content, and complete the mailings to all participants on your behalf. Our recommended communications strategy includes the following materials:

#### *Prior to Transition Date*

- **Transition Welcome Letter.** Mailed to all participants in the plan. Includes a timeline for the transition, fund mapping strategy, dates and times for education sessions, and frequently asked questions.
- **Transition Website.** Contains additional information about the transition, including updates. Provides additional detail and links to Morningstar for the plan's fund lineup. The transition website can be designed with the Agency's look and feel and can also include links to Agency website pages.
- **Targeted Retiree Installment Letter.** Directed to retirees who are receiving periodic payments from the plan. This letter describes the process ICMA-RC uses to ensure uninterrupted installment payments during the transition. This also provides assurance to retirees that their payments will continue at ICMA-RC without change after the transition. We ensure that payments made by ACH, or wire are tested and continued for retirees after the transition.
- **Targeted Brokerage Letter.** Directed to participants with assets in the self-directed brokerage option. Details the process and timing to be used to transition assets in the brokerage window during the transition.
- **Targeted Loan Letter.** Directed to participants with active loans on their accounts. Details how their loan information will be transferred, and what they need to know about their loan payments once transitioned.

#### *Throughout Transition*

- **Welcome Enrollment Letter.** Sent to all plan participants detailing their enrollment at ICMA-RC. This includes beneficiary detail and future contribution allocation elections based on the fund mapping strategy.

#### *Ongoing as Participants Enroll in the Plan*

- **Conversion Confirmation Letter.** Sent immediately after the completion of the transition at ICMA-RC. This announces the completion of the transition and details the reinvestment of participant assets based on the fund mapping. The participant's opening balance at ICMA-RC on this confirmation letter and his or her first ICMA-RC quarterly statement will match to the balance transferred to ICMA-RC during the transition.





- **Describe how you intend to conduct the plan transition group educational meetings. Provide a complete description of the topics to be covered and describe your company's abilities to provide the necessary information in a clear and accurate manner. Your company should be prepared to fully describe all aspects of the plan, including any new investment options.**

ICMA-RC will meet with you to discuss a transition education strategy for the plan. We will focus on a seamless transition for all employees to provide education on the enhancements being made to the plan. We will work with you to provide a comprehensive schedule for group and one-on-one meetings to best reach all of the employees served by the Agency.

To make informed decisions, your employees need a thorough understanding of the plan and the services available. We have significant experience in conducting group seminars to educate current and retired participants on the features and benefits of their retirement program. These presentations will reinforce the information participants received in the mailings and will give them the opportunity to ask questions and discuss the plan in an in-person, group setting.

Our group presentations include:

- An introduction to ICMA-RC
- Description of the participant support services available
- Introduction of the technologies available to the plan
- Discussion of the effect plan changes may have on the overall retirement planning process
- Review of transition process and timeline

Your Retirement Plans Specialist will conduct specialized group transition presentations for terminated participants and individuals in distribution, if applicable. They will provide an overview of our telephone services, website, and most importantly, the transition of benefit payments from the prior administrator to ICMA-RC. ICMA-RC representatives, via toll-free telephone, will be available to respond to employee questions during the transition shortly after we receive a file of all eligible employees.

- **Describe how you intend to conduct the ongoing in-person educational meetings if the Agency should request those services. Provide a complete description of the topics to be covered and describe your company's abilities to provide the necessary information in a clear and accurate manner.**

The ultimate success of your program will be measured by the added retirement benefit achieved by employees participating in your plan. A clear, concise, and dynamic educational program, including group meetings, individual educational meetings, innovative technology, and periodic publications, is essential to help participants become informed investors.

Your Retirement Plans Specialist will provide customized seminars to meet both the specific requirements of your plan and the needs of each employee. ICMA-RC's on-site education seminars include information about effective investing, selecting mutual funds, portfolio management, and managing investment risk. In addition, we provide information on how to read your statement and newsletter and how to navigate through our website. We also provide specialized seminars for distribution options, self-directed brokerage account investing, and other topics. In addition, your CERTIFIED FINANCIAL PLANNER™ professional will be on site once a month for first six months of the contract and quarterly thereafter.



Before and after group meetings (and by appointment), your Retirement Plans Specialist will meet with participants who have questions on plan features, or wish to discuss their retirement planning concerns.

Our representatives offer individual educational meetings that allow your participants to ask questions about their specific retirement issues and needs. We utilize the Retirement Roadmap, a comprehensive set of tools and educational materials to guide one-on-one participant meetings, which complement ICMA-RC's extensive, participant-focused digital resources. ICMA-RC representatives use the Retirement Roadmap to deliver enhanced planning capabilities to all plan participants, while also allowing them to tailor meetings to participants' career stages and financial concerns. Typically, these sessions include:

- **Personalized Education.** Your ICMA-RC representative will assist employees with comprehensive retirement planning.
- **Illustrations.** Benefit and tax-savings illustrations are based on the participant's age, salary, employee pre-tax deferral rate (if applicable), amount required at retirement, and disbursement schedule. These personalized meetings demonstrate the effects that various contribution and investment allocation scenarios can have on potential benefits. All benefit illustrations can be printed in hard copy for employees' records.
- **Investment Education.** The representative will provide investment education to assist employees as they determine which options, investment strategies, or resources are best for them, given their level of risk tolerance and time horizon until retirement.

Your employees would have the option of completing enrollment forms during individual educational meetings with our Retirement Plans Specialist or by using our print-on-demand enrollment kit. At the discretion of the Agency, enrollment materials can be left on-site for employees to review and enroll.

#### In-Depth Financial Planning Seminars and Services

We offer financial planning educational services provided by Nancy Lange, a regional CERTIFIED FINANCIAL PLANNER™. The CERTIFIED FINANCIAL PLANNER™ conducts in-depth group seminars and workshops on essential financial management skills. Your CERTIFIED FINANCIAL PLANNER™ professional, will also provide one-on-one financial planning meetings and written financial plans to participants who chose to use this service.

- **For each type of in-person communication effort, indicate how you propose to coordinate meetings so that all interested members have an opportunity to attend a meeting at a convenient location.**

We will work with you to create a schedule to accommodate meetings so that all employees at all sites will have the option to attend. ICMA-RC's on-site service representatives, the Retirement Plans Specialists, will maintain blocks of time for pre-scheduled meetings and will keep a schedule for those meetings.

Links to ICMA-RC's online Event Registration tool will be distributed to Agency employees to announce the on-site visit and allow equal access for employees to sign up for the group and individual educational meetings.

- **Indicate if you require conversion data to be in a standard format. If so, provide sample specifications. Has your firm transitioned a plan from the current record keeper (Empower Retirement Services)? If so list the plans and describe the transitions. If not, state any extra charge to re-format on the Cost Proposal form and indicate if this will cause any delay.**



ICMA-RC can accept electronic data in any format. We currently have layouts for many of our peer recordkeepers, including Empower, and are highly experienced in mapping data to our systems. ICMA-RC has transitioned 45 plans from both Great West Retirement Services and Empower. Below are a representative list of the clients that recently transitioned from Empower to ICMA-RC and the plan types involved.

- City of West Hollywood, CA (457)
- Broomfield, CO (401)
- Central Lincoln PUD (401 and 457)
- City of Westminster, CA (457)
- City of Placentia, CA (457)
- City of Auburn, WA (457)
- City of Riverside, CA (457)
- Los Angeles PTS (457)
- Virginia Beach (457)
- Town of Fairfield (457)
- City of La Habra (457)
- City of La Habra PTS (457)
- City of Beaverton, OR (457)
- **Provide the names of other similar plan sponsors, along with the name and telephone number of a contact person, with whom you have been involved in a plan transition during the last three years.**

|                                    |  |
|------------------------------------|--|
| City of Riverside                  | Miriana Gonzalez, HR Analyst<br>951-826-2366                 |
| Sanitation District of Los Angeles | Mark Revilla, Supervising Engineer<br>562-708-6983           |
| City of Irvine                     | Jimmee Medina, Acting Human Resource Manager<br>949-724-6278 |

- **State the number of transitions your company has conducted in the past year, the past three years and for public sector plans.**

As of June 18, 2019, ICMA-RC has conducted 29 public sector plan transitions in the past year and 80 over the past three years.

**4.2.1.4.2 TPA should provide accurate conversion of data.**

- **Describe how your Firm will ensure all data conversion is accurate and complete.**

During the transition planning phase, we will conduct an assessment of the data being provided by your current recordkeeper and will detail our findings and data needs as part of the project timeline. Data is categorized as critical or non-critical during this analysis. Accuracy of plan data, project dates and conversion reconciliation are monitored using conversion testing and audit reports of reconciliation. Various project members review data and reconciliation and are required to sign off on each aspect of the key dates of the project plan in order to ensure quality control over the transition.



**4.2.1.4.3 TPA should at the end of the contract term, including any extensions, provide all TDC Plan records in a usable electronic format to the Agency for transition to a successor vendor.**

- **Acknowledge your Firm's understanding of the requirement.**

ICMA-RC acknowledges and understands this requirement.

- **Describe your Firm's transition process in the event of the Agency's decision to change TPA vendors as the end of the contract term, including any extensions exercised.**

ICMA-RC will work with the Agency and the new vendor you select to facilitate an orderly transition. We will provide the new vendor with all participant and plan-level information needed as part of the process, within agreed upon time frames. Plan transitions to and from ICMA-RC generally take between 90 and 120 days, and while we do not have a draft transition-out plan, we will work with you and the new vendor to accommodate their transition plan.

#### **4.2.1.5 Reporting and Compliance**

**4.2.1.5.1 Provide timely, easy to read, and helpful Participant statements for each calendar quarter through a mailed paper statement, unless the Participant elected to receive electronic statements only, no later than the 15th day of the month following quarter close.**

- **Please provide an example of your proposed participant statements**

Confirmed. Participants receive a quarterly statement showing their account activity in their retirement plan(s). Statements provide a comprehensive overview of account activity, including contributions, investment gains and losses, disbursements, fund transfers, ancillary service charges (if applicable), and beginning and ending account balances both plans. Information is provided for the quarter as well as year-to-date. In addition, participant statements include pie charts depicting asset allocations, and a calculation of the personal rate of return the participant achieved in the account. Participants may choose to access their statements online in lieu of receiving a statement by mail.

Statements are mailed and are available online within 12 business days of quarter-end unless performance returns are received late due to factors beyond ICMA-RC's control.

A sample participant statement is provided in the [Appendix](#).

#### **4.2.1.5.2**

- **Discuss the consolidated quarterly reports you will provide to the Agency and their contents, such as Morningstar ratings and personal rate of return. Provide samples. Discuss the extent these proposed reports can be customized, if the Agency may receive the reports electronically, and if the reports will be distributed within fifteen (15) business days of the end of a calendar quarter.**

EZLink, ICMA-RC's proprietary Web-based employer administrative tool ([www.icmarc.org](http://www.icmarc.org)), is designed to make plan administration easy and convenient for plan sponsors. EZLink is an automated platform for transmitting contributions, enrollments, employee changes, distribution requests, and other transactions.

In addition, EZLink offers comprehensive reporting capabilities that enable plan sponsors to monitor and analyze plan and investment activity. To meet the unique needs of plan



sponsors, online report formats are highly flexible and data can be downloaded to an Excel spreadsheet file. The following reports are available online:

#### Fiduciary Oversight Reports

- **Asset Change/Asset Allocation Reports.** Allocation of assets by fund or asset class for client-selected date range in table or graphic format.
- **Transaction Reports.** Contribution, disbursement, and fund transfer reports by fund or asset class for client-selected date range in table or graphic format.
- **Enrollment Report.** Participant enrollments and departures from plan for a client-selected date range.

#### Administration Reports

- **Participant Information Report.** Indicative data and current balance for range of participants.
- **Address Report.** Shows all valid and invalid addresses.
- **Transaction Detail Report.** Provides individual participant transactions for a specified period.
- **Participant Account Data.** Instant access to address employee questions.
- **Plan-Level Quarterly Statement.** Available through EZLink.
- **Participant Quarterly Statements.** Available through EZLink.
- **Loan Reports.** Loan check history, loans paid in full, loan repayment activity, loans processed for payroll deduction, new loan issuances, loan details, loan payoff, current loan balances, and pending loans.
- **Employee Changes Report.** Provides a list of all changes that have been processed within a client-selected date range.
- **Contribution Limit.** View listing of year-to-date contributions for each participant to assist in monitoring IRS contribution limits.
- **Deferral Information.** View a listing of current deferral information/changes for individual participants.
- **Participant Contribution Overage/Catch-up.** View, print, or download a report listing participants who are maxing out their contributions or participating in catch-up.
- **Required Minimum Distribution.** View a listing of participants who are greater than age 70½ in the testing year who are not terminated and had an account balance on the last day of the prior year. This report helps the employer to validate whether the participants listed are still employed and to identify those participants who are terminated but whose termination date still needs to be entered into the recordkeeping system in order for their RMD status to be accurately reported.
- **Exception Reports.** View a listing of participants who had transactions rejected via an enrollment or indicative change submitted electronically by the plan sponsor, have missing or inaccurate personal information, or are missing a date of birth.
- **Plan Usage Demographics.** View various types of plan usage and demographic information such as average balance/contribution by age, participants in investment funds or default funds, and the top funds based on the number of investors.
- **Roll In and Roll Out & Incoming Rollovers by Date.** View activity related to rollovers by client specified date range.



### Account Access Statistics

- Participant demographics
- Login activity
- Account demographics
- Transaction counts

### Daily Reports

- Plan balances by investment
- Plan level investment allocations
- Pie chart of investment allocations by age
- Daily share prices and performance
- Participant information, including account balance by investment, year-to-date contributions and contributions by a specified date range, allocation percentages, statements on demand, and indicative information.

### Transaction Implementation

- Contribution data transmittal
- Enrollments and rehires
- Changes to contribution deferral amounts
- Individual and aggregate indicative data updates
- Survivor updates
- Terminated participants
- Enrollment approval (for online self-enrollment process)
- Request and email forms and publications

### Plan Analytics

- An array of reports designed to provide information on investment returns, plan balance and activity, plan participation and individual participant information.
- Functionality to allow users to view information in either a pre-set or custom date range (for select reports) format.
- A filter option allowing users to select various investment and participant attributes when creating reports.
- A PDF feature which allows users to view, print, and save single as well as multiple reports.
- Formatting options to make reporting tasks quick and easy.

### Visual Analytics

We make our self-service Visual Analytics tool available to the West Virginia TDC Plan. This dynamic data visualization tool enables you to identify, measure, and detect patterns and relationships in data that may not have been initially evident. It offers interactive reporting capabilities combined with advanced analytics so users can track trends and discover insights from any size and type of data to help you fulfill your fiduciary responsibility. This tool



makes data available as early as five business days following month end so that education and outreach campaigns can be more current and relevant for your participants.

### **Customized Reports**

We can prepare customized hard copy reports upon request, based on information retained by our system. Customized reports of reasonable quantity and complexity are provided at no extra cost. We will work with the employer to meet customized or ad hoc reporting needs in a timely manner. In addition, our EZLink online plan administration tool offers flexible online employer reporting and download capabilities.

### **Sample Reports**

The following reports are included in the Appendix:

- ICMA-RC EZLink Reports
- Plan Service Report
- Contribution Limit Report
- Quarterly Employer Statement

Reports are generated within 12 business days of quarter-end.

- **Provide your company's statement accuracy percentage; i.e., the percentage of statements that are not mailed on the normal mail date because of an unresolved discrepancy.**

ICMA-RC achieved a statement accuracy rate of 100 percent for the year ending December 31, 2018.

**Confirm that you will agree to incorporate a minimum error percentage in your contract with the Agency.**

Confirmed.

- **Discuss the statement of account review you will prepare for the Agency to facilitate its due diligence and provide a sample.**

During each statement period, ICMA-RC will make available to the Agency pre-audit and audit statements for review. ICMA-RC will provide a review schedule in advance to help facilitate the Agency's review.

- **Discuss your ability to provide messages the Agency may request from time to time on participant statements.**

The employer may periodically include an announcement of up to 420 characters on quarterly statements.

- **Discuss the availability of confirmations and reports online for participants and how participants may discontinue paper confirmations and statements.**

Transaction confirmations are available online. If participants do not wish to receive confirmation letters in the mail, they can elect to receive electronic confirmations online, and receive email notifications when confirmations are available for viewing in their account. To change the type of confirmation received, the participant may log into Account Access or call a Participant Services Representative.



- Describe the reports that the Agency will receive relating to call volumes, response time, abandoned calls, number of transactions, Internet usage, etc. Provide sample reports in the Miscellaneous Section.

The **Plan Service Report (PSR)** we provide to employers contains information on your plan's call center activity. The report is made available electronically via EZLink, our plan sponsor administrative website on a quarterly and annual basis. The PSR provides statistics about the number of contacts made by your plan participants to ICMA-RC using several channels — the Account Access participant website, ICMA-RC's Voice Response System, or Participant Services Representatives via our Contact Center.

A sample **Plan Service Report** is included in the **Appendix**.

- Provide samples of participant quarterly statements and discuss your ability to customize.

The Agency has the option to add its branding to the statement by including the logo. The logo can appear on the upper left or right hand corner of the statement. At the Agency's request, ICMA-RC's logo can be included in the opposite corner or not at all. The Agency will also have the ability to include an announcement of up to 420 characters on quarterly statements.

A sample quarterly participant statement is included in the **Appendix**.

**4.2.1.5.3 It is preferred that the TPA provide an Annual Actuarial Data Report at the end of each TDC Plan year and will include data from the full fiscal year. The report will be provided in a text format (.txt) in order to allow for the utilization of the data by our actuaries. The report will use the following layout:**

| Field Places | Description                    |        |                  |
|--------------|--------------------------------|--------|------------------|
| 001-009      | Social Security Number         | 19     |                  |
| 010-032      | Surname                        | A23    | Left Adjusted    |
| 033-050      | First Name                     | A18    | Left Adjusted    |
| 051-058      | Date of Birth                  | 212,14 | mmddyyyy         |
| 059-059      | Sex                            | A1     | M or F           |
| 060-067      | Member start date with TPA     | 212,14 | mmddyyyy         |
| 068-075      | Last Contribution Deposit Date | 212,14 | mmddyyyy         |
| 076-076      | EOY Status                     | A1     | A-active/ T-term |
| 077-084      | Termination date (if term)     | 212,14 | mmddyyyy         |
| 085-091      | Vesting Service                | F7.3   | years.fraction   |
| 092-098      | Defined Benefit Service        | F7.3   | years.fraction   |
| 099-108      | BOY Member Account Balance     | F10.2  |                  |
| 109-118      | BOY Employer Account Balance   | F10.2  |                  |
| 119-128      | BOY Total Account Balance      | F10.2  |                  |
| 129-138      | Member Contribution for Year   | F10.2  | cash basis       |





|         |                                |       |                |
|---------|--------------------------------|-------|----------------|
| 139-148 | Employer Contribution for Year | F10.2 | cash basis     |
| 149-158 | Rollovers Completed            | F10.2 |                |
| 159-168 | Withdrawals Completed          | F10.2 | positive entry |
| 169-178 | EOY Member Account Balance     | F10.2 |                |
| 179-188 | EOY Employer Account Balance   | F10.2 |                |
| 189-198 | EOY Total Account Balance      | F10.2 |                |

**Note that the file has headings.**

**BOY= Beginning of Plan Year**

**EOY = Ending of Plan Year**

**Investment earnings are not broken out but reflected in EOY balances.**

Confirmed.

**4.2.2. Mandatory Project Requirements - The following mandatory requirements relate to the goals and objectives and must be met by the Vendor as a part of its submitted proposal. Vendor should describe how it will comply with the mandatory requirements and include any areas where its proposed solution exceeds the mandatory requirement. Failure to comply with mandatory requirements will lead to disqualification, but the approach/methodology that the vendor uses to comply, and areas where the mandatory requirements are exceeded, will be included in technical scores where appropriate. The mandatory project requirements are listed below.**

**4.2.2.1 Administrative Services and Recordkeeping with appropriate staffing:**

**4.2.2.1.1 The Services under this contract must be performed only by individuals within the United States of America.**

Confirmed. All ICMA-RC employees are based in the United States.

**4.2.2.1.2 TPA shall provide a single point of contact with seamless administration and accountability, who is able to attend Agency and Agency Committee meetings as requested and report on Plan operations, activities, investments, and market outlook.**

Confirmed. A relationship manager, **Rod Alcazar, Director, National Relationship Management Team**, will lead the delivery of all service for your plan. He has total direct accountability for your satisfaction. Mr. Alcazar will:

- Serve as your primary point of contact.
- Assist in developing plan sponsor goals and objectives.
- Provide a Plan Service Report.
- Orchestrate delivery of all services in support of your goals.
- Conduct regular progress reports that measure performance vs. goals.
- Address new services and industry developments.
- Educate the plan committee on plan topics of interest.



**4.2.2.1.3 TPA shall provide daily valuation of investments.**

Confirmed. We recordkeep all transactions (contributions, fund transfers, and disbursements) and valuation activity by participant and plan daily. At the end of each day, all activity is aggregated and a buy and sell is made with each investment option.

The following process is used to implement daily valuations and transactions with investment funds:

- All participant transfer instructions and employer contributions/data received in good order by 4:00 p.m. Eastern Time, will be included in that day's reconciliation and posted to participant accounts at the price as of the close of business.
- Whenever possible, we contact applicable parties same-day when assistance is required for discrepancies between contribution data and assets.
- Fund NAVs are received from each investment provider by 6:30 p.m. Eastern Time each evening.
- We aggregate all plan transactions for each fund. We transmit trade information for most of the funds by 8:30 a.m. Eastern Time.
- We initiate cash transfers to finalize daily transactions with each investment fund or trading partner by 2:00 p.m. Eastern Time at the prior business day's close of business price.

**4.2.2.1.4 TPA shall credit contributions to Participant accounts and invest the funds on day of receipt.**

Confirmed. Contributions that are in-good-order and received by 4:00 p.m. Eastern Time on a normal business day will post as of the close of business the day they are received.

**4.2.2.1.5 TPA shall have the ability to electronically transfer (ACH debit) contributions received by the Agency from a financial institution depository account.**

Confirmed. Payroll data is sent electronically through our secure plan sponsor website, which allows employers to download payroll data directly from their payroll systems into ICMA-RC's recordkeeping system. Contributions may be sent by wire or ACH to our designated bank.

**4.2.2.1.5 TPA shall provide review and processing of qualified domestic relations orders (QDROs) upon approval of the QDRO by the Agency's legal counsel.**

Confirmed. We provide all administrative services to assist the employer in making the final decision related to Qualified Domestic Relations Orders (QDROs).

The role the employer would play in processing QDROs would be defined by the employer. While we generally ask employers to sign off on any division or distribution made pursuant to a QDRO meeting the applicable requirements, if an employer wishes, the employer can be removed from the process once the employer has adopted ICMA-RC's standard procedures.

An ICMA-RC QDRO Specialist oversees the QDRO process from start to finish. To facilitate the process, we offer the following comprehensive services:

- An informational letter



- Sample stipulation
- Telephone consultation
- Pre-review of the QDRO
- Establishing an individual account for the alternate payee
- Tax withholding and reporting upon disbursement

ICMA-RC processes QDRO distributions upon notification in accordance with IRS regulations and plan guidelines. When an employer is not involved in the process, the participant or alternate payee sends copies of duly signed or certified QDROs directly to ICMA-RC's QDRO Specialist. ICMA-RC would then transfer funds according to our standard procedures. Our system also calculates and processes QDRO distributions to alternate payees.

The alternate payee has full access to all the investment options available to the plan, Participant Services Representatives in our contact center, the toll-free Voice Response System, and the website. The total processing time from start to finish varies based on receipt of supporting documentation, timing of court orders, etc.

**4.2.2.1.6 TPA shall provide distribution payment options authorized by the Agency and related counseling.**

Confirmed. Participants may specify any of the acceptable payment schedules listed below, which are consistent with IRS regulations. Examples of acceptable payment schedules include:

- Lump sum payment of accumulated assets (partial or full)
- Monthly, quarterly, semiannual, or annual payments of participant-selected payment amount
- Combination of lump-sum and periodic payments
- Partial or full annuitization through our Income for Life program<sup>1</sup>

Additionally, during distribution, participants can:

- Make changes in their payment amount or schedule
- Select the order of investment depletion
- Transfer funds among investment options
- Withdraw from their fixed investment option, while allowing their total return investments to potentially grow (and possibly mitigate the effects of inflation)

Participants who receive regular distributions can have their payments electronically deposited directly into their bank accounts.

**4.2.2.1.7 TPA shall maintain three (3) administrative accounts and one (1) suspense account for the Plan that shall be invested as directed by the Agency's Board:**

- a. **The Revenue Sharing Account will be used for the deposit of all 12b-1, commissions and shareholder service fees/commissions, if such are applicable, paid to the TDC Plan by mutual funds. These funds will be used to pay the**

<sup>1</sup> Annuities are insurance products available through companies not affiliated with ICMA-RC. Please consult "Income for Life Annuity Program: Immediate Annuities for Retirement Income," prior to purchasing an annuity. 1-800-669-7400.



administrative expenses of the TDC Plan. Transfers from the Revenue Sharing Account will be made by ACH to the depository bank for the West Virginia Treasurer's Office. All administrative costs, including fees paid to the TPA, will be paid through the West Virginia Auditor's and Treasurer's Offices as required by state law. '

b. The Administrative Expense Account will be used for deposit of all administrative fees deducted from plan participant accounts. These funds will be used to pay the administrative expenses of the TDC Plan. Transfers from the Administrative Expense Account will be made by ACH to the depository bank for the West Virginia Treasurer's Office. All administrative costs, including fees paid to the TPA, will be paid through the West Virginia Auditor's and Treasurer's Offices as required by state law.

c. The Error Correction account will be used to hold funds resulting from correction of error by employers and others. Funds from this account will be refunded or otherwise used as directed by the Agency. Transfers from the Error Correction Account will be made by ACH to the depository bank for the West Virginia Treasurer's Office. All administrative costs, including fees paid to the TPA, will be paid through the West Virginia Auditor's and Treasurer's Offices as required by state law.

d. The Suspense Account will be used to hold nonvested contributions for individual terminated participants, in accordance with applicable statutes. Suspense funds must be tracked by participant name and social security number in order to allow for the identification of funds to individual participants. The funds held in the individual participant's name and associated net investment earnings shall become forfeiture funds at the culmination of the five (5) year period and shall be reported on an annual forfeiture report as of July 1st of that year to the TDC Plan. Transfers from the Suspense Account will be by ACH to the depository bank for the West Virginia Treasurer's Office. All administrative costs, including fees paid to the TPA, will be paid through the West Virginia Auditor's and Treasurer's Offices as required by state law.

Confirmed. ICMA-RC will maintain administrative and suspense/forfeiture accounts with assets invested in accordance with the instructions of the Agency's Board.

**4.2.2.1.8 TPA shall not offer and/or market any products to plan participants not expressly authorized in writing by the Agency and/or the resulting contract issued under this procurement.**

Confirmed. ICMA-RC representatives will not solicit ancillary services to participants without the express written consent of the Agency.

**4.2.2.1.9 TPA shall disclose fully all fees received from investment companies on investment options offered to TDC Plan participants quarterly to the Agency.**

Confirmed. This information is provided in our Plan Service Report which is available quarterly to all of ICMA-RC's customers.

**4.2.2.1.10 TPA shall negotiate on behalf of the Agency for refunds and rebates from investments.**

Confirmed.



**4.2.2.1.11 TPA shall ensure that all retirement education counselors or advisors who directly interact with TDC Plan members regarding investment education and retirement counseling do not receive commissions, bonuses or other incentives that are dependent on IDC Plan members' investment elections. This requirement does not preclude commissions, bonuses and other incentives based on other performance metrics.**

Confirmed. Our representatives will provide educational information to meet the needs of your participants. All of our representatives are compensated with a competitive base salary and an incentive opportunity that is tied to measurable results. The incentives are based upon quantifiable measures that improve the health of your plan, such as increasing enrollments, increasing participant savings, and retaining participants and their assets.

**4.2.2.1.12 TPA shall not require any termination, withdrawal or transfer charges or restriction (including market value adjustments) throughout the term of the contract and upon transfer to a successor vendor unless specified in writing, signed by both parties.**

Confirmed. ICMA-RC does not impose any financial market value adjustments or other financial penalties on withdrawals or transfers among funds or rollover of funds to another provider (aside from amortization schedules for the payment of such charges imposed by other vendors and charges for early withdrawal from bank CDs).

**4.2.2.1.13 TPA shall deduct the quarterly fee specified by the Agency, per WV CSR 162-1-6.1, from participants' accounts, deposit in the TDC Plan administrative account, and remit to the Agency, upon written request.**

Confirmed.

**4.2.2.1.14 TPA shall have a System and Organization Control Type 1 examination (SOC1) performed for the primary vendor and any proposed sub-servicers utilized in providing the services being procured under this RFP. The(se) SOC1 examination(s) must be performed in accordance with the Statements on Standards for Attestation Engagements (SSAE) No. 18 issued by the American Institute of Certified Public Accountants. These required SOCI reports should be provided annually to the Agency or its auditor, upon request.**

Confirmed. External auditors, EY, conduct an annual Type II Service Organization Control 1 (SOC1) review in accordance with the AICPA Statements on Standards for Attestation Engagements No. 18 (SSAE 18).

The most recent report from EY covered the period from October 1, 2017 to September 30, 2018. The opinion provided therein states that the descriptions of controls were fairly presented and implemented as described, the controls were suitably designed and that those controls tested were those necessary to provide reasonable assurance that the stated control objectives were achieved and operated effectively throughout the period. A copy is included in the Appendix. ICMA-RC can provide a copy of this report annually to the Agency.

#### **4.2.2.2 Customer Service, Communication and Education:**

**4.2.2.2.1 TPA shall acknowledge your agreement that Participant data is confidential and the sole property of the Agency.**

Confirmed.



**4.2.2.2.2 TPA shall acknowledge your agreement that Participant data shall not be used in any way to market other products and may not be sold, licensed, transferred, made available or disclosed without the express prior written consent of the Agency.**

Confirmed.

**4.2.2.2.3 TPA shall provide all forms, materials and reports required and approved by the Agency as necessary or desirable for Plan operation in electronic and paper formats.**

Confirmed.

**4.2.2.2.4 TPA shall maintain separate accounts for pre-tax eligible rollovers.**

Confirmed. Within each participant's account, we maintain separate recordkeeping accounts for pre-tax rollovers into the plan, as well as other sources of assets.

**4.2.2.2.5 TPA shall identify and make notice to affected participants and/or beneficiaries of all required minimum distributions (RMDs) at age 70 ½ years and upon death; and process the disbursements of these RMDs upon Agency approval in accordance with IRC §401(a)(9).**

Confirmed. ICMA-RC calculates the Required Minimum Distribution (RMD) for all participants over age 70½ and separated from service. For participants already receiving RMD payments, we adjust their payments each year to satisfy their RMD. For participants who are receiving payments, but who have not elected a payment schedule designed to meet their RMD, we review their accounts annually and adjust their payments, if necessary. For participants who are not receiving payments, we notify them to make a payment election. If no election is made, we distribute the RMD payment prior to the IRS deadline.

If the participant started receiving disbursements prior to his or her death, payments will continue under the payment option selected by the participant until ICMA-RC is notified of the participant's death. In cases where no distributions were initiated prior to the participant's death, beneficiaries must complete a beneficiary withdrawal form and submit it to ICMA-RC with a certified death certificate to initiate disbursements.

ICMA-RC offers all beneficiary payment options in compliance with IRS regulations and Required Minimum Distribution rules.

**4.2.2.2.6 TPA shall allow the Agency, at its expense, to audit the TPA's performance, records, reports, invoices and other materials for periodic audit upon thirty (30) days notice from commencement of the contract and for a period of five (5) years after contract termination.**

Confirmed.

**4.2.2.2.7 TPA must maintain all TDC Plan records, either in paper or electronic format (including but not limited to: support for contributions, distributions, withdrawals, participant balances, beneficiary designations, confirmations to participants, investment elections/changes, images of cleared checks for all distributions for the benefit of IDC Plan participants, and all correspondences sent to TDC Plan participants) related to the plan. In the event of a change in the TPA service provider, the TPA shall ensure all TDC Plan records are transferred to the successor TPA vendor or to the Agency. The TPA will not destroy any such plan records, under its document retention policy, without the express written approval of the Agency.**

Confirmed. Electronic plan and participant historical data are maintained by ICMA-RC indefinitely for active customers. Historical data for plans and participants are available for real-time viewing



and processing for two years. Historical data older than two years are kept in online archives for easy retrieval and viewing.

**4.2.2.2.8 TPA shall ensure compliance with the West Virginia Uniform Unclaimed Property Act regarding all stale-dated checks and/or account balances that meet the specific abandonment period as defined in the West Virginia Uniform Unclaimed Property Act.**

Confirmed.

**4.2.2.2.9 TPA shall accept full responsibility for processing errors it makes, and report to the Agency errors made by the TPA within three (3) business days of becoming aware of the error. In the event a participant incurs a loss or a lost opportunity due to an error by the vendor, the vendor shall make the participant whole, at no cost to the TDC Plan, by adjusting the participant's account to the same position or level as if the error had not occurred unless the adjustment would not be beneficial to the participant.**

Confirmed. In the event of an error made by ICMA-RC and, as a direct result, a loss is incurred by the participant (or a gain is not received), we will adjust the account retroactively. We will then correct the transaction and the account will be made whole.

**4.2.2.2.10 TPA shall provide a custom website for the TDC Plan, which will include educational tools and materials, account access, investment options and reports. The website address and all content shall be the property of the Agency.**

Confirmed. ICMA-RC will provide the Agency with a custom website for all employees. It will be designed to help employees make managing their retirement account(s) easier as well as provide eligible, non-participating employees with access to information they need to get started.

The site features a clean layout, clear navigation, and “quick links” that take employees directly to calculators, videos, and more. It will offer a library of resources, including scheduling an appointment with a local onsite education specialist or CERTIFIED FINANCIAL PLANNER™ professional. Most importantly, the site makes getting in touch with ICMA-RC simple.

We will provide you and your employees with a custom URL that resonates with the plan (for example: [www.icmarc.org/WestVirginiaTDC](http://www.icmarc.org/WestVirginiaTDC)). The site will feature your plan logo. Participants will have direct access to ICMA-RC's Online Enrollment and Account Access (participant portals) for online account management and services. Appropriate plan-specific tools and materials may also be made available on this site.

**4.2.2.2.11 TPA shall provide a process for the purchase of service credits authorized by the Plan.**

Confirmed. The participant completes ICMA-RC's Purchase of Prior Service Credit packet, as well as the appropriate documentation required by the defined benefit plan. Once all items are received in good order, the check is issued. A copy of the defined benefit purchase of service credit document is included with the check.

**4.2.2.2.12 TPA shall maintain separate accounting of reinstatements, service, and other contributions made with after tax dollars.**

Confirmed.

**4.2.2.2.13 TPA shall provide all original participant submitted forms and documents to the Agency (CPRB) for review and approval before being processed by the TPA. Upon the Agency's approval the documents will be presented to the TPA for appropriate processing.**



ICMA-RC will work with the Agency to implement a pre-approval process for document processing, however, we would also like to discuss alternative options to streamline the overall process.

**4.2.2.2.14 TPA shall direct the Agency personnel the ability to edit the following non- financial data regarding the participant, at a minimum, but not limited to:**

- **Date of Hire,**
- **Date of participation,**
- **Date of termination,**
- **Service, Number of paid days per fiscal year,**
- **Gross compensation per fiscal**
- **Total TRS transferred service**
- **All Participant contact information, including Name, Address, Phone Numbers, and Email Addresses,**
- **Apply a "flag" to a participant account for distributions restrictions or other issue**

Confirmed. Agency personnel will be able to perform administrative tasks pertaining to editing and updating participant information.

ICMA-RC makes available our Web-based administrative tool, EZLink, which is an automated platform for transmitting contributions, enrollments, employee changes, distribution requests, and other transactions. EZLink is designed to make plan administration convenient for plan sponsors by offering easy access to the items they use most, including functions such as contributions, enrollments, and investments. In addition, EZLink offers comprehensive reporting capabilities that enable plan sponsors to monitor and analyze plan and investment activity.

**4.2.2.3 Investments:**

**4.2.2.3.1 TPA shall provide investment advisory services only at the participants' election.**

Confirmed. ICMA-RC offers a comprehensive suite of investment advisory and planning services through our **Guided Pathways® Advisory Services**<sup>1</sup> program, providing the appropriate level of assistance to your employees based on how involved they want to be in their retirement investing decisions. Employees have access to Guided Pathways® Advisory Services over the telephone, through a dedicated and credentialed team, or directly through our website.

**4.2.2.3.2 TPA shall make available the prospectuses and performance information, for each investment option offered by the TDC Plan on the TDC Plan's website provided by the TPA.**

<sup>1</sup> Investment advice and analysis tools are offered to participants through ICMA-RC, a federally registered investment adviser. Investment advice is the result of methodologies developed, maintained and overseen by the Independent Financial Expert, Morningstar Investment Management LLC. Morningstar Investment Management LLC is a registered investment advisor and subsidiary of Morningstar, Inc. Morningstar, Inc. and Morningstar Investment Management LLC are not affiliated with ICMA-RC. All rights reserved. The Morningstar name and logo are registered marks of Morningstar, Inc.





Confirmed. Employees may obtain fund information, including updated Fund Fact Sheets, prospectuses, fees, and performance figures at any time on the TDC Plan's website provided by ICMA-RC.

**4.2.2.3.3 TPA shall make investment election changes and investment transfers daily via customer call center and dedicated plan website.**

Confirmed. Participants may instruct ICMA-RC to execute investment election changes and investment transfers over our website or through our Participant Services Representatives. We recordkeep all transactions (contributions, fund transfers, and disbursements) and valuation activity by participant and plan daily. At the end of each day, all activity is aggregated and a buy and sell is made with each investment option. All participant transfer instructions received in good order by 4:00 p.m. Eastern Time, are included in that day's reconciliation and posted to participant accounts at the price as of the close of business. Transactions received after 4:00 p.m. Eastern Time or on weekends and holidays are included in the next business day's activity and are posted to participant accounts at that day's close of business share price.

**4.2.2.3.4 TPA shall comply with the requirements of the current VALIC contract (comprised of 3 separate documents) which is contained in the Appendix III.**

Confirmed.

**4.2.2.3 Reporting and Compliance:**

**4.2.2.3.1 TPA shall provide quarterly reviews of each investment option, including performance and other information which may affect the investment, compliance with the TDC Plan Investment Policy in effect and any recommendations as to placing the investment on "watch" or to replacing the investment.**

ICMA-RC is making an open architecture lineup available for your plan. For these lineups, ICMA-RC will provide tools to assist plan sponsors with investment selection and due diligence.

ICMA-RC will provide a quarterly investment review online and will deliver the report onsite at least annually (and more frequently if desired). This report, which is a component of our Plan Service Report, provides the following information in support of investment due diligence:

- Economic and market review.
- Summary of funds made available by your plan.
- Fund, benchmark and peer returns, Morningstar ratings, and comparisons of fund performance vs. Morningstar peers.

An ICMA-RC investment professional will be available to meet with TDC on-site annually and by phone quarterly to review this report and address questions you may have regarding the plan's fund line-up. Please see the sample Plan Service Report in the [Appendix](#).

**4.2.2.3.2 TPA shall provide annual plan reviews, including demographic and other relevant statistics and information to the Agency.**

Confirmed. ICMA-RC provides an employer statement of plan activity quarterly. Plan activity, investment, and fee disclosure components of the Plan Service Report are posted online quarterly and will be delivered face-to-face onsite annually by **Rod Alcazar, Director, National Relationship Management**. Additional plan activity information is available through EZLink. Online report formats are highly flexible and data can be downloaded to an Excel spreadsheet file.



Rod Alcazar, your Relationship Manager, will present your annual

In addition to standard reporting, ICMA-RC has enhanced its suite of tools for fiduciaries to include the Plan Health Monitor, an online plan sponsor report card intended to provide a quick and accurate way for plan sponsors and associated consultants to assess the overall health of the plan and identify opportunities for improvement.

To maximize value to plan sponsors, ICMA-RC conducted extensive research in our development of the Plan Health Monitor, including evaluating best practices within the existing plan health competitive landscape, interviewing clients on plan health objectives and needs, and reviewing existing best-in-class plan health solutions.

The Plan Health Monitor includes:

- **High-Level Plan Snapshot** – Assess the overall health of your plan by viewing key plan health metrics
- **Segmentation Analysis** – Access more detailed employee data to identify segments that may benefit from additional attention
- **Results Tracking** – Track your efforts and see your plan’s progress over time.

Plan Health metrics that can be presented in the Plan Health Monitor include:

- Retirement Readiness
- Asset Class Allocation
- Investment Diversification
- Participant Balance
- Employee Participation
- Savings Rate Election
- Participant Rate of Return
- Outstanding Loans
- Managed Accounts Participation

ICMA-RC is working on enhancing the Plan Health Monitor to provide benchmarking functionality to assist you in determining how your plans compare against other ICMA-RC public sector plans.

The Plan Health Monitor is a natural evolution of our existing plan health tools, which include ICMA-RC Visual Analytics and Plan Analytics; which in addition to being available as stand-alone tools, are integrated into the Plan Health Monitor to allow for accessing detailed employee information.

We continue to evaluate the value of providing a single plan health score through our Plan Health Monitor. In conducting market and best-practice plan health development research, we observed that:

- An overall plan health score does not seem to be offered by most providers’ plan health offerings,
- Plan sponsors and consultants were more interested in identifying specific underperforming plan health metrics that need to be addressed, and,
- Many plan health score offerings were primarily based on employee retirement readiness, which is just one of the metrics ICMA-RC provides as part of its Plan Health Monitor offering.



To see a brief video providing additional information about the Plan Health Monitor, please visit, <https://www.icmarc.org/planhealthmonitorvideo.html>. A flyer providing an overview of the product can be found in the **Appendix**.

**4.2.2.3.3 TPA shall provide confirmations of any financial transaction involving TDC Plan accounts with two (2) business days to the Plan participant.**

Confirmed. Confirmations are mailed within two business days of when a transaction is executed.

**4.2.2.3.4 TPA shall provide quarterly financial reports and an annual report as of June 30 of each year to the Agency summarizing Plan assets and Participant contributions, investment returns and ratings, receipts, disbursements, and suspense account activity and balances.**

Confirmed. ICMA-RC provides an employer statement of plan activity quarterly. Plan activity, investment, and fee disclosure components of the Plan Service Report are posted online quarterly and will be delivered onsite annually. Additional plan activity information is available through EZLink, our Web-based administration tool. Online report formats are highly flexible and data can be downloaded to an Excel spreadsheet file.

**4.2.2.3.5 TPA shall enable the Agency and participants to obtain reports and confirmations electronically from the TDC Plan's website provided by the TPA and/or the TPA's plan sponsor portal/website.**

Confirmed. Transaction information and confirmations, quarterly reports, plan information, indicative data, etc., are available electronically to participants and the plan sponsor through the plan website.

**4.2.2.3.6 TPA shall provide the ability for the Agency to access and, for non-financial data, to directly edit (detailed in 4.2.2.2.14) within the proposed operating system all participant data (this access should include participant data after a full distribution from the TDC Plan), including but not limited to the following. This information should be able to be easily printed by Agency personnel that lists the participants name and at least the last 4 digits of their social security number:**

- **Participant general information this (information should be editable by Agency personnel).**
  - **Detail of historical data and any edits made**

Confirmed. Through EZLink, the Agency has access to the information indicated and is able to make edits to non-financial data accordingly, as well as download reports related to distributions, transactions, indicative data and other information.

- **Transaction history detail from the inception of the contract or vendor relationship resulting from this procurement.**

Confirmed. ICMA-RC retains transaction history from the earlier of 1995 or from a plan's start date at ICMA-RC. Plan and participant documents are imaged and stored indefinitely. Quarterly Statements and Transaction Confirmations are stored and archived for a maximum of seven years.

- **Vesting information per fiscal year should be editable by Agency personnel. Due to the nature of the TDC Plan's vesting rules and the complexity of reporting of employee service by our participating employers, the Agency routinely must make vesting adjustments due to employer reporting.**



- **Days paid and the calculated amount of service carried to 3 decimal places for .005 years of service per 1 paid day.**
- **Total of all service credit posted**
- **Total transferred TRS service, if applicable.**

Confirmed. Agency personnel will be able to adjust vesting information as needed.

- **Vesting information shall include total of all service credits posted, carried to the third decimal place.**

Confirmed. ICMA-RC is capable of administering the vesting schedule specified by the employer, and we will ensure participants receive only the amounts to which they are entitled when they withdraw funds from their accounts. The plan sponsor may be asked to confirm a participant's vesting status before an account is paid out.

- **Gross compensation per fiscal year this (information should be editable by Agency personnel).**

Confirmed.

- **Account balance information**

- **Participant account balance detail**

- **Breakdown of Employee and Employer contributions into the participant accounts (pre-tax)**
- **Breakdown of post-tax balances by Employee and Employer amounts**

- **Account balance detail should be accessible from the inception of the contract for the term of the vendor contract or relationship with the Agency.**

Confirmed. ICMA-RC provides detailed account balance information online, as well as on quarterly participant statements, which are mailed and available electronically.

- **Historical investment detail information**

Confirmed. For each participant account, we maintain records of historical plan information such as account balances, contributions, transactions, statements, and documentation associated with any distribution requests.

Statements are available online for up to the last 84 months or since the participant's inception with ICMA-RC. Other financial data is dependent on the option being selected. Each option that provides historical data will provide limits if limits are imposed for performance reasons. The rate of return is available for five years while transaction detail is available since inception.

- **Participant account beneficiary detail.**

Confirmed. ICMA-RC maintains beneficiary information on our recordkeeping system. Participants can view and update beneficiary information on our participant website, Account Access. Participants can review beneficiary information online, on their Welcome confirmation letter provided at the time of enrollment, as well as on their quarterly statement.



Beneficiary information is stored in the system along with other historical participant account information.

**4.2.2.3.7 TPA shall confirm that all liability for withholding and reporting for tax purposes will be the responsibility of the TPA.**

Confirmed. Our recordkeeping system processes disbursements daily, remits withholdings on a timely basis, and generates all required and relevant federal and state tax reports. ICMA-RC prepares and issues Form 1099-R to participants before January 31st of the year following the reporting year.

**4.2.2.3.8 Provide an exact image/copy of the quarterly participant statements issued in an electronic format that is approved by the Agency. This information must be provided to the Agency using a secure transmission method provided to the Agency within ten (10) business days of distribution to the plan participants. This information should also include an electronic copy of all other documents that were included in the mailing with the quarterly Participant statements**

Confirmed.

**4.3. Qualifications and Experience:**

TPA shall provide information and documentation regarding its qualifications and experience in providing services or solving problems similar to those requested in this RFP. Information and documentation should include, but is not limited to, copies of any staff certifications or degrees applicable to this project, proposed staffing plans, descriptions of past projects completed (descriptions should include the location of the project, project manager name and contact information, type of project, and what the project goals and objectives where and how they were met.), references for prior projects, and any other information that TPA deems relevant to the items identified as desirable or mandatory below.

**4.3.1. Qualification and Experience Information: The TPA shall describe in its proposal how it meets the desirable qualification and experience requirements listed below.**

**4.3.1.1 TPA shall be authorized to do business in and with the State of West Virginia,**

- **The Agency desires a TPA with necessary knowledge, skill and experience to provide exceptional services to the TDC Plan members and the Agency.**

Confirmed.

**4.3.1.2**

- **Briefly discuss your organization, including, without limitation, its structure, ownership (direct and indirect), control, history, line of business, staffing numbers, pending contract(s) to merge or sell any portion of your company, any changes in senior management in the last three years, and other information that will assist in evaluating your firm.**

ICMA-RC is dedicated to providing comprehensive retirement plan services tailored to the public sector. Founded in 1972 by the public sector for the public sector, ICMA-RC has provided retirement plan administration, investment, and educational services for public

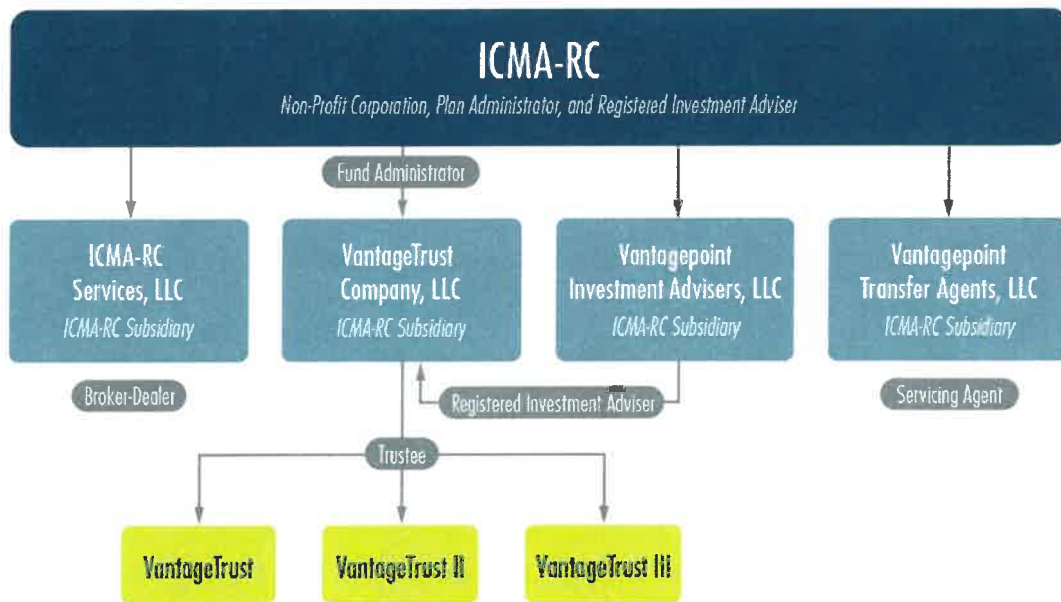


sector employers and their employees for over 47 years. With over 850 employees<sup>1</sup>, we focus on providing high-quality, flexible recordkeeping services and value-added education based on the specific need of each life stage of each participant. Our success in serving the retirement planning needs of public sector employees across the country is reflected in our mission statement: **We help public sector employees build retirement security.**

ICMA-RC's primary business is the administration and investment management of \$457 deferred compensation plans, \$401 qualified defined contribution plans, \$403(b) tax-sheltered annuity plans, Individual Retirement Accounts, Retirement Health Savings plans, and Employer Investment Program OPEB Trust plans for public employers and their employees. As of March 31, 2019, with its wholly owned subsidiaries, ICMA-RC's overall assets under management and administration total more than \$54.8 billion. We serve over 4,800 public sector employers representing over 1.4 million participant accounts<sup>2</sup>.

ICMA-RC, an independent and non-profit corporation, is one of several affiliated but legally separate entities:

**Corporate Organizational Structure**



- ICMA Retirement Corporation ("ICMA-RC")** is a non-profit corporation established in 1972 to assist state and local governments and their agencies and instrumentalities ("Plan Sponsors") in the establishment and maintenance of retirement plans ("Retirement Plans") for their public sector employees ("Participants"). ICMA-RC offers a full range of retirement plan administration services to Plan Sponsors, including administration, recordkeeping, and education services.

<sup>1</sup> As of December 31, 2018, ICMA-RC employed 873 associates. Human Resources statistical data is calculated on an annual basis.

<sup>2</sup> Includes 457, 401, Retirement Health Savings (RHS) plans, Employer Investment Program (EIP) plans, affiliated Individual Retirement Accounts (IRAs), and related beneficiary accounts..



- In addition to offering retirement plan services, in its capacity as an investment adviser registered with the SEC, ICMA-RC provides investment advisory services directly to individual Participants through the Guided Pathways<sup>®1</sup> Advisory Services program, a platform for the delivery of various discretionary and non-discretionary investment advisory services. Additionally, ICMA-RC provides financial planning services through qualified ICMA-RC associates who conduct retirement planning sessions and individual educational meetings with Participants.
- **VantageTrust Company, LLC ("VTC")** is a New Hampshire non-depository trust company and a wholly-owned subsidiary of ICMA-RC. VTC is the sole trustee of three bank-maintained collective investment trusts: 1) VantageTrust, a trust established and primarily maintained for the purpose of commingling assets of state and local government qualified retirement and deferred compensation plans; 2) VantageTrust II, a trust established for the purposes of commingling assets of certain qualified investors, including tax-exempt, governmental pension and profit-sharing plans, and retiree welfare plans within the meaning of section 401(a)(24) of the Internal Revenue Code of 1986 ("Code"); and 3) VantageTrust III, a trust established to provide for the collective investment and reinvestment of assets of pension and profit-sharing plans, and retiree welfare plans within the meaning of section 401(a)(24) of the Code (collectively, the "Trusts"). VTC makes available a number of other investment options to Participants through the Trusts. VTC is also the qualified custodian for the Managed Accounts Program under the Guided Pathways<sup>®</sup> Advisory Services.
- **Vantagepoint Transfer Agents, LLC ("VTA")**, a wholly-owned subsidiary of ICMA-RC, acts as servicing agent with respect to plan assets maintained by governmental entities within the meaning of Section 414(d) of the Internal Revenue Code of (1986), as amended, and with respect to IRA owners. These services include recordkeeping, transferring ownership of interests in the Trusts, providing account statements, maintaining Trust ownership records, and providing other administrative services to plans and their participants.
- **ICMA-RC Services, LLC ("RC Services")**, a wholly-owned subsidiary of ICMA-RC, is a broker-dealer registered with the SEC and is a member of the Financial Industry Regulatory Authority ("FINRA"). RC Services is also registered as a broker-dealer in all 50 states, and the District of Columbia. Certain employees of ICMA-RC are also registered representatives of RC Services. RC Services provides educational and administrative support to plans and participants as part of ICMA-RC's plan administrative services. RC Services also markets ICMA-RC's proprietary collective investment trust funds to retirement plans on an investment-only basis.
- **Vantagepoint Investment Advisers, LLC ("Vantagepoint")**, a wholly-owned subsidiary of ICMA-RC, is registered with the SEC as an investment adviser. It provides investment advisory services to VTC regarding the funds of VantageTrust, VantageTrust II, and VantageTrust III, including the Vantagepoint Funds. Vantagepoint also offers separate account advisory services to institutional clients.

ICMA-RC maintains a license agreement with the International City/County Management Association (ICMA) that allows ICMA-RC to use the association's name as part of the ICMA-

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<sup>1</sup> Investment advice and analysis tools are offered to participants through ICMA-RC, a federally registered investment adviser. Investment advice is the result of methodologies developed, maintained and overseen by the Independent Financial Expert, Morningstar Investment Management LLC. Morningstar Investment Management LLC is a registered investment advisor and subsidiary of Morningstar, Inc. Morningstar, Inc. and Morningstar Investment Management LLC are not affiliated with ICMA-RC. All rights reserved. The Morningstar name and logo are registered marks of Morningstar, Inc.



RC corporate name and in connection with the core activities of offering retirement plans, products, and services to state and local governmental employers and their employees.

### Plans to Merge or Sell

ICMA-RC has no pending agreements to sell or merge all or part of the company and has had no changes to its ownership structure since its inception. Like many in the recordkeeping industry, from time to time, ICMA-RC engages in discussions to purchase and/or sell assets, but there is no pending sale or purchase at this time.

### Changes to Senior Management

ICMA-RC experienced management transitions among its senior leadership team over the past three years primarily due to planned retirements. These positions transitioned in accordance with ICMA-RC's management succession plans:

#### 2019

- Joseph Teague, Managing Vice President, Field Sales and Relationship Management succeeded Ross Graham, Senior Vice President, Chief Sales Officer as the Interim Senior Vice President, Chief Sales Officer. Mr. Graham transitioned from ICMA-RC to pursue other endeavors.

#### 2018

- Ross Graham, Senior Vice President, Chief Sales Officer, succeeded Christopher Matzke, who retired after serving nearly 15 years at ICMA-RC and more than 30 years in the financial services industry;
- David Tanguay, Senior Vice President, Chief Client Services Officer, expanded his role to include oversight of Product Management and Development, Enterprise Risk Management, Market Strategy, and Government Affairs;
- Les McCollum, Managing Vice President, Chief Information Security Officer, joined the executive leadership team; and
- Alex Hannah, Managing Vice President, Marketing and Communications, was promoted to Chief Marketing Officer and joined the executive leadership team.

#### 2017

- Gregory Dyson, former Senior Vice President, Chief Operating Officer, transitioned to another organization. Following his departure, the position was realigned along with the transitions and appointments described above.
- **Discuss any alliance arrangements you have with any investment or money management firms and a brief description of the terms of the arrangement.**

In four eastern states ICMA-RC has an arrangement with M&T Securities, Inc. to promote ICMA-RC's services as well as to provide education to plan participants on ICMA-RC's behalf. ICMA-RC also maintains a license agreement with the International City/County Management Association (ICMA) that allows ICMA-RC to use the association's name as part of the ICMA-RC corporate name and in connection with the core activities of offering retirement plans, products and services to state and local governmental employers and their employees.





- **Discuss any investigation, charge, litigation, arbitration or settlement in the last two (2) years involving your firm and any proposed sub-servicers and/or sub- contractors providing any of the TPA Services contemplated by this RFP.**

In its capacity as a third-party administrator, ICMA-RC has been named as a defendant or co-defendant with the plan sponsor in benefit claims litigation brought by plan participants or putative beneficiaries (e.g., a benefit claims dispute brought by the widow of a deceased participant) seeking determinations regarding those parties' entitlement to benefits. However, the nature and quality of ICMA-RC's administrative and recordkeeping services have never been at issue in any such claims. Currently, ICMA-RC has been included as a defendant in lawsuits filed by a former plan sponsor client as well as participants. The allegations in those lawsuits focus on the new provider's acquisition of the plan, and the proceedings are currently pending.

- **List your current ratings by nationally recognized rating agencies. Discuss whether there have been any rating downgrades in the last five (5) years**

As a non-profit, non-stock corporation, ICMA-RC is not rated by rating agencies.

**4.3.1.3 Discuss three (3) of your current engagements comparable to a potential engagement with the Agency or that demonstrate the ability of your firm to provide TPA Services for the Agency. Each entity listed will be contacted as references. Include the following information:**

|  |  |
|--|--|
| a) Entity name,  | Virginia Retirement System   |
| b) Address,  | 1200 East Main Street, Richmond, VA 23219  |
| c) Contact person,   | Kelly Hiers, Defined Contribution Manager  |
| d) Telephone number,   | 804-344-3163   |
| e) Email address,  | khiers@varetire.org  |
| f) Length of relationship and if it is current,                    | 6 years; Current client  |
| g) Services provided (as required in this RFP),                    | 457(b) and 401(a)  |
| h) Number of Participants,   | 353,792  |
| i) Annual Deferral Amounts,  | 2018 Contributions - \$346,326,918   |
| j) Total Plan Assets as of June 30, 2018, and                      | \$3,502,865,617  |
| k) Any other information you believe the Agency would find useful. | We provide full-service administrative, recordkeeping, and educational services including: |



|  |  |
|--|--|
| a) Entity name,  | Bay Area Rapid Transit   |
| b) Address,  | 300 Lakeside, 20th Floor, Oakland, CA 94612  |
| c) Contact person,   | Arne Stokstad, Benefits Analyst  |
| d) Telephone number,   | 510-464-6206   |
| e) Email address,  | Astokst@bart.gov   |
| f) Length of relationship and if it is current,                    | 19 years; Current client   |
| g) Services provided (as required in this RFP),                    | 457(b) and 401(a)  |
| h) Number of Participants,   | 10,599   |
| i) Annual Deferral Amounts,  | 2018 Contributions - \$115,622,812   |
| j) Total Plan Assets as of June 30, 2018, and                      | \$1,058,614,305  |
| k) Any other information you believe the Agency would find useful. | We provide full-service administrative, recordkeeping, and educational services including: |

|  |  |
|--|--|
| a) Entity name,  | Missouri State Employees Retirement System   |
| b) Address,  | 901 Wildwood Drive, Jefferson City, MO 65109   |
| c) Contact person,   | Cindy R. Rehmeier, CFP®, Manager of Defined Contribution Plans                             |
| d) Telephone number,   | 573-632-6147   |
| e) Email address,  | cindyr@mosers.org  |
| f) Length of relationship and if it is current,                    | 8 years; Current client  |
| g) Services provided (as required in this RFP),                    | 457(b) and 401(a)  |
| h) Number of Participants,   | 96,182   |
| i) Annual Deferral Amounts,  | 2018 Contributions - \$47,694,429  |
| j) Total Plan Assets as of June 30, 2018, and                      | \$2,168,840,689  |
| k) Any other information you believe the Agency would find useful. | We provide full-service administrative, recordkeeping, and educational services including: |

**4.3.2 Mandatory Qualification/Experience Requirements - The following mandatory qualification/experience requirements must be met by the TPA as a part of its submitted proposal. TPA should describe how it meets the mandatory requirements and include any areas where it exceeds the mandatory requirements. Failure to comply with mandatory requirements will lead to disqualification, but areas where the mandatory requirements are exceeded will be included technical scores where appropriate. The mandatory qualifications/experience requirements are listed below.**

**4.3.2.1 TPA shall be authorized to do business in and with the State of West Virginia,**  
 Confirmed.



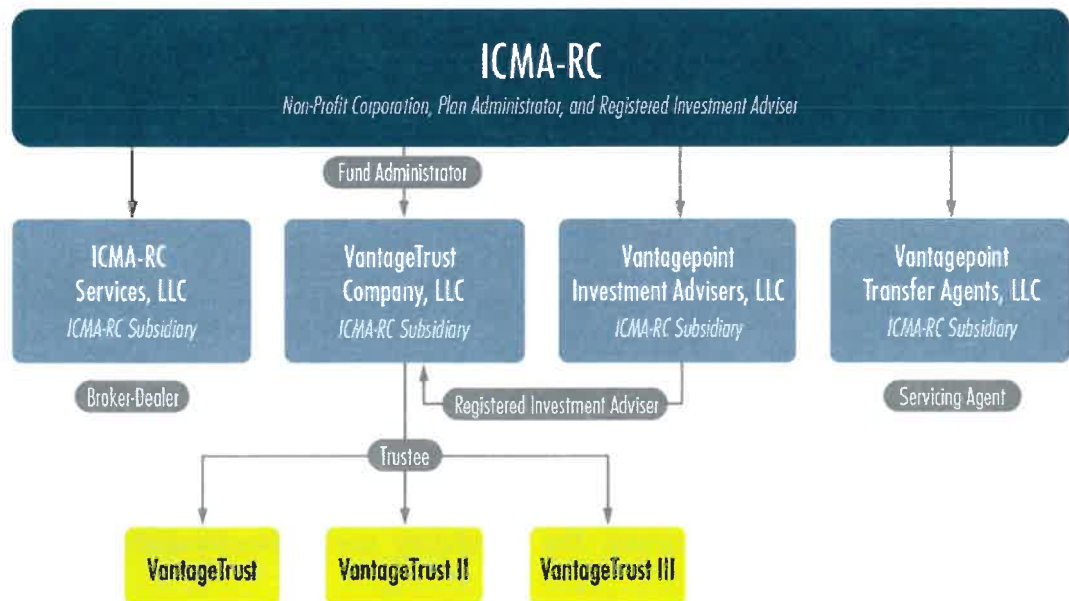
- **Provide the following information for your Firm and any proposed sub-servicers and/or sub-contractors:**
  - **Name,**
  - **Mailing address,**
  - **Corporate address,**
  - **Telephone number, and**
  - **Primary Contact, including telephone number, fax number, and email address.**

ICMA Retirement Corporation  
 777 North Capitol Street, NE, Suite 600  
 Washington, D.C. 20002-4240  
 Phone: 202-962-4600

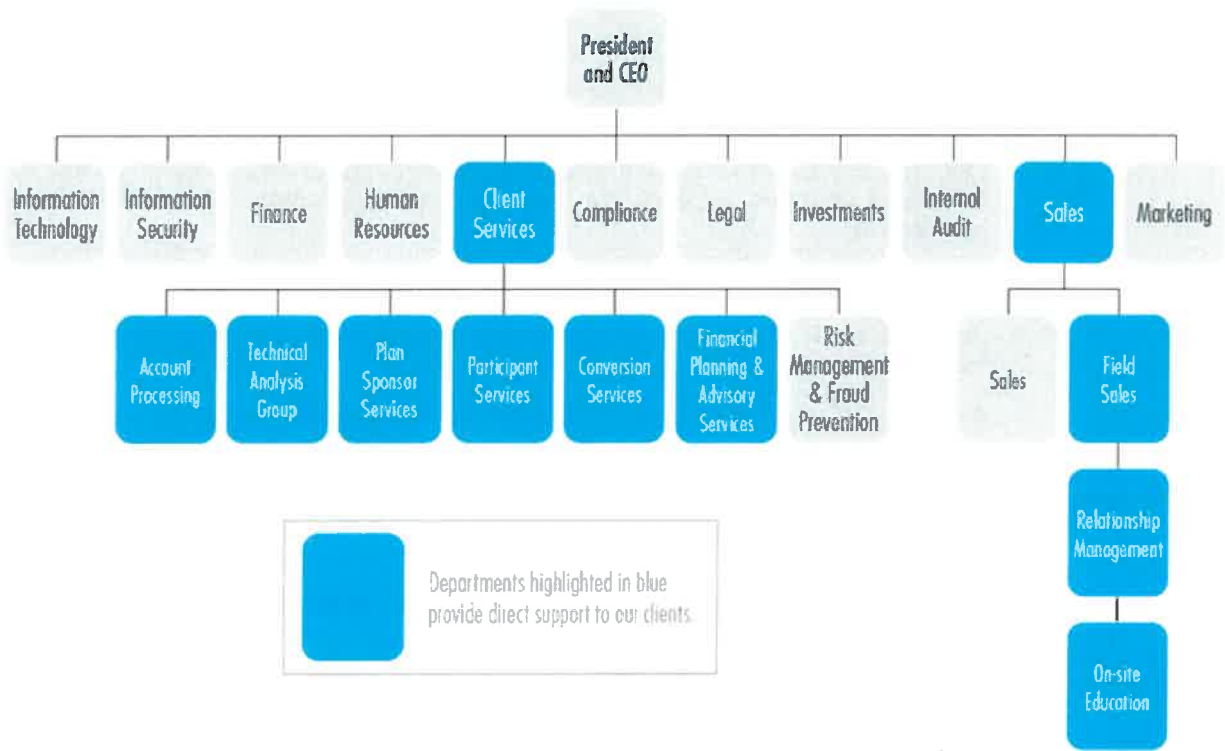
**Proposal Contact**

Cary Scaglione, Vice President Institutional Sales East Region  
 Phone: 202-215-2481  
 Fax: 561-865-8445  
 Email: cscaglione@icmarc.org

- **Provide an organization chart for your firm (particularly noting the areas that will be working on the TDC Plan).**



In addition, below we have provided an organizational chart of ICMA-RC that highlights the specific departments that will directly support the Agency.



- **Disclose any information about your firm and any proposed sub-servicers and/or sub-contractors, its employees or its agents which could be considered a material conflict of interest, or potential material conflict of interest with the Agency or the State of West Virginia.**

To the best of our knowledge, ICMA-RC has neither a legal or familial connection nor a business arrangement with any currently elected or appointed official or employee of the Agency, except to the extent an official or employee may have an IRA or plan account administered by ICMA-RC.

Other potential conflicts, however, include our arrangements with, and the compensation we pay to or receive from, our affiliates, vendors, or other entities with which we have business relationships (“third parties”). These third parties may also provide services to plan sponsors who retain ICMA-RC. None of these potential conflicts would impermissibly interfere with our provision of services to the Agency.

We disclose potential conflicts to plan sponsors through our administrative services agreements with the plan sponsors and through our public website, EZLink, fee disclosure statements that are provided to plan sponsors on at least an annual basis in annual Plan Service Reports or other media, and through disclosure documents, such as VantageTrust Fund Fact Sheets and the Disclosure Memorandum. To manage potential conflicts of interest, we also have implemented internal policies, including Codes of Ethics, that govern the behavior of all ICMA-RC associates and members of ICMA-RC and its affiliates’ Boards. Among other requirements, these policies require all ICMA-RC employees, as well as consultants and temporary personnel, to disclose to ICMA-RC any matters that could reasonably be expected to interfere with their duty to ICMA-RC or any ICMA-RC client.



With regard to subcontractors, this is not applicable. ICMA-RC understands "subcontractor" in this context to refer to a third-party retained to provide custom services unique to the Agency. ICMA-RC will not be utilizing subcontractors to service the Agency.

- **Disclose any bankruptcy or insolvency proceedings or any assignment for the benefit of creditors by your firm and any proposed sub-servicers and/or sub-contractors.**

ICMA-RC has never been petitioned into bankruptcy or insolvency.

- **State the name of the entities which have rated your firm and the current rating from each entity.**

As a non-profit, non-stock corporation, ICMA-RC is not rated by rating agencies.

#### **4.3.2.2 TPA shall be licensed, capable and authorized to provide TPA Services to governmental entities in West Virginia,**

Confirmed.

#### **4.3.2.3 TPA shall have at least five (5) years' experience in providing TPA Services for governmental defined contribution plans,**

Confirmed. ICMA-RC administered the first nationally available governmental deferred compensation plan in 1972, and in 1985 we offered qualified defined contribution plan services.

- **Briefly describe the scope and length of your experience with public sector retirement plans.**

ICMA-RC, together with its wholly owned subsidiaries, has provided public sector retirement plan administration, recordkeeping, and investment management services for over 45 years. We administered the first nationally available governmental deferred compensation plan in 1972, and in 1985 we offered qualified defined contribution plan services. We pioneered a new concept for offering defined contribution retirement health savings to the public sector through our Retirement Health Savings (RHS) Plans, which we introduced in 2000. Finally, ICMA-RC began offering 403(b) services to clients in 2019.

As of March 31, 2019, with its wholly owned subsidiaries, ICMA-RC's overall assets under management and administration total more than \$54.8 billion, and we serve over 4,800 public sector employers representing over 1.4 million participant accounts.<sup>1</sup>

- **Provide a list of any contracts terminated by a client for cause within the last five years, including the circumstances, and the name and telephone number of a contact person for that client.**

No clients with term contracts have left ICMA-RC earlier than the contract expiration date due to service issues. Most clients leaving ICMA-RC did so by choosing another vendor in a competitive bid process. In many instances, this occurred as part of a consolidation from multiple vendors.

<sup>1</sup> Includes 457, 401, Retirement Health Savings (RHS) plans, Employer Investment Program (EIP) plans, affiliated IRAs, and Beneficiary Accounts.



- List any contracts not renewed by a client within the last five years, including the circumstances and the name and telephone number of a contact person for that client.

The clients below left ICMA-RC so by choosing another vendor in a competitive bid process. In some instances, this occurred as part of a consolidation from multiple vendors.

|                                  |   |
|----------------------------------|---|
| <b>Client name:</b>              | City and County of Denver, CO                   |
| <b>Address</b>                   | 201 West Colfax Dept 412, Denver, CO 80202      |
| <b>Contact name &amp; title:</b> | Heather Britton, Manager of Benefits & Wellness |
| <b>Contact phone number:</b>     | 720-913-5548                                    |
| <b>E-mail address:</b>           | heather.britton@ci.denver.co.us                 |
| <b>Dates of Service</b>          | 12/1995 - 01/2014                               |
| <b>Total plan assets:</b>        | \$100M  |
| <b>Total participants:</b>       | 2,462   |

|                                  |   |
|----------------------------------|---|
| <b>Client name:</b>              | City of Chula Vista, CA                     |
| <b>Address</b>                   | 276 Fourth Ave, Chula Vista, CA 91910       |
| <b>Contact name &amp; title:</b> | Courtney Chase, Director of Human Resources |
| <b>Contact phone number:</b>     | 619-619-5096; cchase@chulavistaca.gov       |
| <b>E-mail address:</b>           | cchase@chulavistaca.gov                     |
| <b>Dates of Service</b>          | 7/1974 - 5/2018                             |
| <b>Total plan assets:</b>        | \$30 million                                |
| <b>Total participants:</b>       | 300   |

|                                  |   |
|----------------------------------|---|
| <b>Client name:</b>              | City of Whittier, CA                          |
| <b>Address</b>                   | 13230 Penn Street, Whittier, CA 90602         |
| <b>Contact name &amp; title:</b> | Rod Hill, Director of Administrative Services |
| <b>Contact phone number:</b>     | 562-567-9810; rhill@cityofwhittier.org        |
| <b>E-mail address:</b>           | rhill@cityofwhittier.org                      |
| <b>Dates of Service</b>          | 7/1993 - 11/2017                              |
| <b>Total plan assets:</b>        | \$11 million                                  |
| <b>Total participants:</b>       | 148   |

- As the Agency reserves the right to authorize or prohibit subcontracting or any joint venture, indicate whether the Services will be subcontracted to another company; fully describe these Services and the background and qualifications of



the company that will provide the Services; and disclose and explain any affiliation with you.

Not applicable. ICMA-RC is not proposing a joint venture. Furthermore, ICMA-RC understands "subcontractor" in this context to refer to a third-party retained to provide custom services unique to the Agency. ICMA-RC will not be utilizing subcontractors to service the Agency.

**4.3.2.4 TPA must administer or have under management at least \$10 billion in assets**

Confirmed. As of March 31, 2019, with its wholly owned subsidiaries, ICMA-RC's overall assets under management and administration total more than \$54.8 billion<sup>1</sup>

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<sup>1</sup> Includes 457, 401, Retirement Health Savings (RHS) plans, Employer Investment Program (EIP) plans, and affiliated IRAs.

**ADDENDUM ACKNOWLEDGEMENT FORM**  
**SOLICITATION NO.: CRFP CPR19\*05**

**Instructions:** Please acknowledge receipt of all addenda issued with this solicitation by completing this addendum acknowledgment form. Check the box next to each addendum received and sign below. Failure to acknowledge addenda may result in bid disqualification.

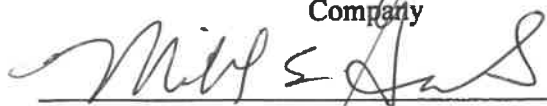
**Acknowledgment:** I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.

**Addendum Numbers Received:**

(Check the box next to each addendum received)

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Addendum No. 1 | <input type="checkbox"/> Addendum No. 6  |
| <input checked="" type="checkbox"/> Addendum No. 2 | <input type="checkbox"/> Addendum No. 7  |
| <input checked="" type="checkbox"/> Addendum No. 3 | <input type="checkbox"/> Addendum No. 8  |
| <input type="checkbox"/> Addendum No. 4            | <input type="checkbox"/> Addendum No. 9  |
| <input type="checkbox"/> Addendum No. 5            | <input type="checkbox"/> Addendum No. 10 |

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. I further understand that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

\_\_\_\_\_  
ICMA-RC  
Company  
  
\_\_\_\_\_  
Authorized Signature  
  
\_\_\_\_\_  
6/17/19  
\_\_\_\_\_  
Date

**NOTE:** This addendum acknowledgment should be submitted with the bid to expedite document processing.

Revised 6/8/2012





Purchasing Division  
 2019 Washington Street East  
 Post Office Box 50130  
 Charleston, WV 25305-0130

State of West Virginia  
 Request for Proposal  
 34 - Service - Prof

Proc Folder: 575316

Doc Description: Third Party Administrator Services for TDC

Proc Type: Central Master Agreement

| Date issued | Solicitation Closes    | Solicitation No         | Version |
|-------------|------------------------|-------------------------|---------|
| 2019-05-10  | 2019-06-20<br>13:30:00 | CRFP 0203 CPR1900000005 | 1       |

BID CLERK  
 DEPARTMENT OF ADMINISTRATION  
 PURCHASING DIVISION  
 2019 WASHINGTON ST E  
 CHARLESTON WV 25305  
 US

**Vendor Name, Address and Telephone Number:**

ICMA-RC  
 777 North Capitol Street NE  
 Washington, DC 20002  
 202-962-4600

**FOR INFORMATION CONTACT THE BUYER**

Brittany E Ingraham  
 (304) 558-2157  
 brittany.e.ingraham@wv.gov

Signature X

FEIN # 23-7268394

DATE 6/17/19

All offers subject to all terms and conditions contained in this solicitation

**DESIGNATED CONTACT:** Vendor appoints the individual identified in this Section as the Contract Administrator and the initial point of contact for matters relating to this Contract.

Cary Scaglione, Vice President Institutional Sales - East Region  
(Name, Title)  
Cary Scaglione, Vice President Institutional Sales - East Region  
(Printed Name and Title)  
777 North Capitol Street NE, Washington, DC 20002  
(Address)  
(202) 215-2481/ (561) 865-8445  
(Phone Number) / (Fax Number)  
cscaglione@icmarc.org  
(email address)

**CERTIFICATION AND SIGNATURE:** By signing below, or submitting documentation through wvOASIS, I certify that I have reviewed this Solicitation in its entirety; that I understand the requirements, terms and conditions, and other information contained herein; that this bid, offer or proposal constitutes an offer to the State that cannot be unilaterally withdrawn; that the product or service proposed meets the mandatory requirements contained in the Solicitation for that product or service, unless otherwise stated herein; that the Vendor accepts the terms and conditions contained in the Solicitation, unless otherwise stated herein; that I am submitting this bid, offer or proposal for review and consideration; that I am authorized by the vendor to execute and submit this bid, offer, or proposal, or any documents related thereto on vendor's behalf; that I am authorized to bind the vendor in a contractual relationship; and that to the best of my knowledge, the vendor has properly registered with any State agency that may require registration.

ICMA-RC  
(Company)

  
(Authorized Signature) (Representative Name, Title)

Michael Guarasci, Treasurer  
(Printed Name and Title of Authorized Representative)

6/17/19  
(Date)

(202) 962-4600 / (202) 962-4601  
(Phone Number) (Fax Number)

## West Virginia Ethics Commission



### Disclosure of Interested Parties to Contracts

Pursuant to *W. Va. Code* § 6D-1-2, a state agency may not enter into a contract, or a series of related contracts, that has/have an actual or estimated value of \$1 million or more until the business entity submits to the contracting state agency a Disclosure of Interested Parties to the applicable contract. In addition, the business entity awarded a contract is obligated to submit a supplemental Disclosure of Interested Parties reflecting any new or differing interested parties to the contract within 30 days following the completion or termination of the applicable contract.

For purposes of complying with these requirements, the following definitions apply:

*"Business entity"* means any entity recognized by law through which business is conducted, including a sole proprietorship, partnership or corporation, but does not include publicly traded companies listed on a national or international stock exchange.

*"Interested party" or "Interested parties"* means:

- (1) A business entity performing work or service pursuant to, or in furtherance of, the applicable contract, including specifically sub-contractors;
- (2) the person(s) who have an ownership interest equal to or greater than 25% in the business entity performing work or service pursuant to, or in furtherance of, the applicable contract. (This subdivision does not apply to a publicly traded company); and
- (3) the person or business entity, if any, that served as a compensated broker or intermediary to actively facilitate the applicable contract or negotiated the terms of the applicable contract with the state agency. (This subdivision does not apply to persons or business entities performing legal services related to the negotiation or drafting of the applicable contract.)

*"State agency"* means a board, commission, office, department or other agency in the executive, judicial or legislative branch of state government, including publicly funded institutions of higher education: Provided, that for purposes of *W. Va. Code* § 6D-1-2, the West Virginia Investment Management Board shall not be deemed a state agency nor subject to the requirements of that provision.

The contracting business entity must complete this form and submit it to the contracting state agency prior to contract award and to complete another form within 30 days of contract completion or termination.

*This form was created by the State of West Virginia Ethics Commission, 210 Brooks Street, Suite 300, Charleston, WV 25301-1804. Telephone: (304)558-0664; fax: (304)558-2169; e-mail: [ethics@wv.gov](mailto:ethics@wv.gov); website: [www.ethics.wv.gov](http://www.ethics.wv.gov).*

West Virginia Ethics Commission  
**Disclosure of Interested Parties to Contracts**

(Required by W. Va. Code § 6D-1-2)

Name of Contracting Business Entity: ICMA-RC Address: 777 North Capitol Street NE

Washington, DC 20002

Name of Authorized Agent: Michael Guarasci Address: 777 North Capitol Street NE  
Washington, DC 20002

Contract Number: CRFP 0203 CPR1900000005 Contract Description: Third Party Administrator Services for TDC

Governmental agency awarding contract: \_\_\_\_\_

Check here if this is a Supplemental Disclosure

List the Names of Interested Parties to the contract which are known or reasonably anticipated by the contracting business entity for each category below (attach additional pages if necessary):

1. Subcontractors or other entities performing work or service under the Contract \*

Check here if none, otherwise list entity/individual names below.

2. Any person or entity who owns 25% or more of contracting entity (not applicable to publicly traded entities)\*\*

Check here if none, otherwise list entity/individual names below.

3. Any person or entity that facilitated, or negotiated the terms of, the applicable contract (excluding legal services related to the negotiation or drafting of the applicable contract)\*\*\*

Check here if none, otherwise list entity/individual names below.

Signature: [Handwritten Signature]

Date Signed: 6/17/19

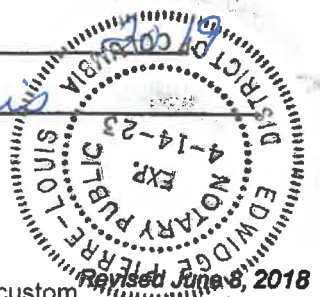
**Notary Verification**

State of District of Columbia, County of Washington:

I, Michael Guarasci, the authorized agent of the contracting business entity listed above, being duly sworn, acknowledge that the Disclosure herein is being made under oath and under the penalty of perjury.

Taken, sworn to and subscribed before me this 17th day of JUNE

[Handwritten Signature]  
Notary Public's Signature



**To be completed by State Agency:**

Date Received by State Agency: \_\_\_\_\_

Date submitted to Ethics Commission: \_\_\_\_\_

Governmental agency submitting Disclosure: \_\_\_\_\_

\*ICMA-RC understands "subcontractor" in this context to refer to a third-party retained to provide custom services unique to the Agency. ICMA-RC will not be utilizing subcontractors to service the Agency's plan.

\*\*ICMA-RC is a non-profit, non-stock corporation.

\*\*\*ICMA-RC understands the question to be asking about third-party persons or entities.

STATE OF WEST VIRGINIA  
Purchasing Division

# PURCHASING AFFIDAVIT

**CONSTRUCTION CONTRACTS:** Under W. Va. Code § 5-22-1(i), the contracting public entity shall not award a construction contract to any bidder that is known to be in default on any monetary obligation owed to the state or a political subdivision of the state, including, but not limited to, obligations related to payroll taxes, property taxes, sales and use taxes, fire service fees, or other fines or fees.

**ALL CONTRACTS:** Under W. Va. Code §5A-3-10a, no contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and: (1) the debt owed is an amount greater than one thousand dollars in the aggregate; or (2) the debtor is in employer default.

**EXCEPTION:** The prohibition listed above does not apply where a vendor has contested any tax administered pursuant to chapter eleven of the W. Va. Code, workers' compensation premium, permit fee or environmental fee or assessment and the matter has not become final or where the vendor has entered into a payment plan or agreement and the vendor is not in default of any of the provisions of such plan or agreement.

**DEFINITIONS:**

"Debt" means any assessment, premium, penalty, fine, tax or other amount of money owed to the state or any of its political subdivisions because of a judgment, fine, permit violation, license assessment, defaulted workers' compensation premium, penalty or other assessment presently delinquent or due and required to be paid to the state or any of its political subdivisions, including any interest or additional penalties accrued thereon.

"Employer default" means having an outstanding balance or liability to the old fund or to the uninsured employers' fund or being in policy default, as defined in W. Va. Code § 23-2c-2, failure to maintain mandatory workers' compensation coverage, or failure to fully meet its obligations as a workers' compensation self-insured employer. An employer is not in employer default if it has entered into a repayment agreement with the Insurance Commissioner and remains in compliance with the obligations under the repayment agreement.

"Related party" means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceeds five percent of the total contract amount.

**AFFIRMATION:** By signing this form, the vendor's authorized signer affirms and acknowledges under penalty of law for false swearing (W. Va. Code §61-5-3) that: (1) for construction contracts, the vendor is not in default on any monetary obligation owed to the state or a political subdivision of the state, and (2) for all other contracts, that neither vendor nor any related party owe a debt as defined above and that neither vendor nor any related party are in employer default as defined above, unless the debt or employer default is permitted under the exception above.

**WITNESS THE FOLLOWING SIGNATURE:**

Vendor's Name: ICMA-RC

Authorized Signature: \_\_\_\_\_

Date: 6/17/19

State of District of Columbia

County of Washington, to-wit:

Taken, subscribed, and sworn to before me this 17th day of JUNE, 2019

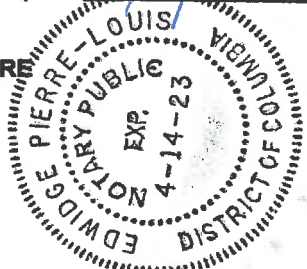
My Commission expires April 14, 2023

AFFIX SEAL HERE

NOTARY PUBLIC

Edwidge Pierre-Louis

Purchasing Affidavit (Revised 01/19/2018)





## Appendix List

Please see the **Appendix** or enclosed **electronic media** for the following items:

- **Appendix 1 – Plan Service Report**
- **Appendix 2 – Sample EZLink Screenshots**
- **Appendix 3 –**
  - **Sample Withdrawal Packet**
  - **Sample Beneficiary Withdrawal Packet**
  - **Sample QDRO Withdrawal Form**
  - **TD Ameritrade Participant Account Agreement Form**
  - **Sample Enrollment Kit**
- **Appendix 4 – Frequent Trading Policy**
- **Appendix 5 – Sample Level 3 Reconciliation Report Template**
- **Appendix 6 – Employer Plan Administration Guide Table of Contents**
- **Appendix 7 – Security Guarantee Handout**
- **Appendix 8 – Educational Publications**
  - **Get to Know Your 401 Plan**
  - **Charting Your Course**
  - **Investment Option Sheets**



- **Appendix 9 – Newsletters and Statements**
  - **Quarterly News**
    - **Early Career**
    - **Late Career**
  - **Quarterly Statements**
- **Appendix 10 – Transactional Publications**
  - **Employee Enrollment Kit**
  - **Benefit Withdrawal Packet**
- **Appendix 11 – Flyers / Statement Stuffers**
  - **Control What You Can Flyer**
  - **Online Enrollment Flyer**
  - **My Financial Future Matters Flyer**
- **Appendix 12 – VT Retirement Income Advantage Important Considerations**
- **Appendix 13 – Funds Currently Administered by ICMA-RC**
- **Appendix 14 – Mesirow Financial 3-21 Fiduciary Partnership Service Brochure**
- **Appendix 15 – Mesirow Fiduciary Framework 3-21 Service Brochure for Plan Sponsors**
- **Appendix 16 – Sample Gantt Chart**
- **Appendix 17 – Investment Options Mapping**



- **Appendix 18 – Sample Reports**
  - **EZLink Reports**
  - **Plan Service Report**
  - **Contribution Limit Report**
  - **Quarterly Employer Statement**
- **Appendix 19 – SOC 1 Report**
- **Appendix 20 – Plan Health Monitor Flyer**
- **Appendix 21 – TD Ameritrade Commissions and Service Fees**