



**Joliet Junior College
Request for Proposal
403b and 457 Plan Advisory Services**

Issue Date: March 7, 2014

RFP Submission Addresses:

Administrative Services
Joliet Junior College
1215 Houbolt Rd
Joliet, IL 60431

Four (4) complete hard copies (bound) of the proposal and one (1) complete electronic copy (via CD/DVD or email) must be received by:

4:00 p.m. Central Time on March 27, 2014

Late proposals and proposals sent by facsimile will not be accepted

THIS DOCUMENT IS TO BE TREATED AS STRICTLY CONFIDENTIAL

ALL PROPOSALS BECOME THE PROPERTY OF THE COLLEGE

I. PURPOSE AND BACKGROUND INFORMATION

Purpose of this document

Joliet Junior College (JJC) is in the process of selecting a consultant to serve as an advisor to JJC with regard to the college's 403b and 457 plans. The consultant will be engaged to assist JJC's Financial Team in the oversight of its 403b and 457 plans.

About Joliet Junior College

Joliet Junior College is a comprehensive community college. The college offers pre-baccalaureate programs for students planning to transfer to a four-year university, occupational education leading directly to employment, adult education and literacy programs, work force and workplace development services, and support services to help students succeed. The College has a combined total of 17,706 full time and part time students enrolled in Spring 2013 classes on its main campus located within the city of Joliet, and its five extension campuses located in Romeoville, Morris, Frankfort, Weitendorf, and City Center in downtown Joliet.

Vision Statement

Joliet Junior College, the nation's first public community college, will be a leader in teaching and learning, and the first choice for post-secondary education.

Mission Statement

Joliet Junior College enriches people's lives through affordable, accessible, and quality programs and services. The college provides transfer and career preparation, training and workforce development, and a lifetime of learning to the diverse community it serves.

Background on Joliet Junior College's 403b and 457 Plans

JJC currently offers a 403b and a 457 plan to employees. There are fourteen investment providers to choose from under the 403b plan, but only one investment provider for the 457 plan. As of February 28, 2014 there are 155 participants in the 403b plan and 11 participants in the 457 plan out of approximately 1,500 eligible employees.

II. SCOPE AND SERVICES

Background Information

Please provide all necessary background information about your company so we can get a feel for your qualifications, experience, staff and ability to meet the needs of our group. Specifically, answer the questions as provided in the attached questionnaire. We are looking for an independent TPA who has extensive knowledge and experience in supporting 403(b) and 457 programs. Prior experience, references and background information will be very important as we look to find the most qualified TPA who can provide the wide range of services and support programs we are requesting.

Compliance Services

Please explain in detail and provide examples, sample information, or sample reports, if necessary, the extent and type of compliance services your company provides. To this end, please describe the entire process that your company would undertake when initially coming in and reviewing the current state of members' existing 403(b) plans, and their related policies, procedures, forms and documents. Also, explain or show the type of follow up report information and/or services that your company would provide to relay this information, and any recommendations developed, based on the findings from that compliance review. Additionally, provide samples or discuss what type of general administrative compliance binder, handbook, or other such documentation your company would provide going forward to assist in maintaining a compliant 403(b) and 457 programs. Finally, please clearly state any additional costs associated with compliance services, as appropriate.

Post Review and Administrative Plan Set Up

This phase of services would entail the correction of any deficiencies found during the compliance review, to update, edit, correct or clarify any policies, procedures, forms, documents, employee education materials or marketing materials in order to establish a complaint program based on the 403(b) and 457 regulations. This phase would also the update of information sharing agreements, the master plan documents and approved vendors lists, as necessary. Please make sure to address any other aspects of this post review and administrative plan set up phase that your company provides, as the examples listed herein are not necessarily all-inclusive. Finally, please clearly state any additional costs associated with the post review and administrative plan set up, as appropriate.

Ongoing Remittance and Administrative Support

This part of your response should outline your company's procedures for handling payroll remittances of employee contributions based on valid salary redirection agreements, and intended for approved 403(b) and 457 vendors. Please indicate whether you company requires

employee contributions to be transmitted through you to the vendors and if yes, tell us what security measures are in place with your remittance processing (software and hardware) to ensure that no loss or theft of personal information or data occurs. In addition, what information will be required so you can and will use this information to ensure ongoing compliance with the regulations? Talk in this section about how you will interact with the approved vendors to obtain and share information, as necessary, to ensure that all aspects of the 403(b) and 457 plans remain in compliance with IRS regulations and guidelines. Also, in this section talk about how you will work with the college on an ongoing manner to provide administrative support and ensure that all required aspects of the plans are being maintained. Finally, please clearly state any additional costs of this ongoing remittance and administrative support phase of your work, as appropriate.

IRS Audit Support

This phase of services would only be needed if the college were ever audited by the IRS or asked to provide preliminary questionnaire information by the IRS in advance of a potential audit related to the operation and administrative of its 403(b) and/or 457 plan. In some cases this might merely be assisting in the completion of a pre-audit questionnaire, or in the most severe of circumstances it would include support and representation on behalf of the college in a full blown IRS audit situation. Please be clear on what level of services your company would be willing to contractually provide in this section, and the cost for such representation, as applicable.

Other Services or Additional Information

Please list, describe or clarify in this section anything that your company provides, or anything that may be relevant for our consideration of your proposal, as part of your 403(b) and 457 third party administration services, that you have not specifically covered in the previous five sections.

Cost Proposals

Please make sure that your cost proposals are accurate, complete and provide sufficient detail so that the individual components and their associated costs can easily be determined. Please also discuss how these fees may be paid and whether you allow for fees to be paid 1) directly by the employee; 2) by the school district on behalf of the employee, and; 3) by the investment provider on behalf of the employee. The clarity, transparency and simplicity of your cost proposal, along with the overall cost effectiveness of the proposal, will be considered when evaluating responses. Cost will definitely be an important factor, but it will not be the only factor (or even necessarily the dominant factor) in evaluating these proposals. If applicable, please do not forget to break out pricing for compliance review services, administrative set up, follow up and implementation services, employee education services, ongoing remittance and support services, annual and ongoing compliance monitoring services, IRS audit support services and any other applicable services.

III. ACCESS TO CLIENT PLAN DOCUMENT

Any candidate wishing to review JJC's 403b and 457 Plan Documents prior to responding to the RFP may have access to the Plan Document upon executing a Confidentiality Agreement provided by JJC. The Confidentiality Agreement will be made available upon request.

IV. RESPONSE REQUIREMENTS AND SELECTION CRITERIA

Response Requirement

In addition to the information on pricing/fees/commission structure, response to this RFP should include the following information:

Part I – Background Information

- 1) How long have you been in existence and how long have you been specifically providing 403(b) and 457 plan administration services (a minimum of five years' experience and practice in this field is required)?
- 2) What is your corporate structure?
- 3) How many employees do you have?
- 4) How long have you provided these services in Illinois?
- 5) In how many states are you currently conducting business?
- 6) Who are some other similar sized clients, and are any in Illinois (three similar sized, or larger, references are required)?
- 7) Do you have any organizational ties, operational ties or financial arrangements (direct or indirect) in place with any outside investment companies or others that might be offering savings options as an approved vendor under this program?
- 8) Have you had any lawsuits or litigation filed against you, or have you had any regulatory fines or sanctions imposed against you in the past five years?
- 9) Who are a few of your most recent clients added of a comparable size to the college?
- 10) Have you lost any clients or not renewed with any clients in the past five years, and if so, why (please list these past clients)?

- 11) Listed above are some questions to be addressed. Please provide any additional information you feel would be appropriate for this section of the questionnaire.

Part II - Compliance Services

- 12) Please explain your compliance process from beginning to end so we may get a feel for what is encompassed in this phase of your services and what we are expected to provide as part of this review.
- 13) Please discuss or provide examples of the reports to be generated to relay the results of the compliance review and any associated recommendations.
- 14) Please discuss the type and extent of compliance services and administrative procedural review services you provide and highlight anything not encompassed by items 12 and 13 above.
- 15) How long do you expect this phase of your work to take?
- 16) If applicable, please include the cost of the “compliance phase” of your work as a separate item in the cost proposal.
- 17) Listed above are some questions to be addressed. Please provide any additional information you feel would be appropriate for this section of the questionnaire.

Part III - Post Review and Administrative Plan Set Up

- 18) Please discuss the type and extent of post review and administrative plan set up services your company provides to clients.
- 19) How does your company “approve” potential investment providers for inclusion into the college’s 403(b) and/or 457 plan, and how does this process work?
- 20) Please explain the process of reviewing/modifying plan documents with and for the college and then executing these plan documents with vendors and clients.
- 21) How does your company assist with employee education so as to increase awareness and participation (please provide samples or examples)?
- 22) Does your company provide any administrative binders, booklets or other materials as part of the administrative plan set up phase of work?
- 23) If applicable, please include the cost of the “post review and administrative plan set up phase” of your work as a separate item in the cost.

- 24) Listed above are some questions to be addressed. Please provide any additional information you feel would be appropriate for this section of the questionnaire.

Part IV – Ongoing Remittance and Administrative Support

- 25) Please discuss the type and extent of ongoing remittance services and ongoing administrative support services your company provides to clients. In addition, indicate whether the remittance service is a requirement of your services.
- 26) What financial reporting and/or ongoing compliance monitoring software is used (is it proprietary, is it a customized off the shelf program, or is it a program developed by an investment provider)?
- 27) Can you accept ACH and data file transfers from the college, process this information in your compliance monitoring software, and then remit these contributions and any relevant information on to the vendors?
- 28) What type of data repository and data warehousing system do you employ and how can you guarantee that it is secure from tampering?
- 29) How will you keep this confidential information secure and what fiduciary responsibility/liability do you assume in the remittance process?
- 30) What level of errors and omissions coverage (liability coverage) do you provide as part of the remittance process?
- 31) What level of bonding do you provide for your employees and do you provide professional liability coverage for your firm?
- 32) How do you secure financial and confidential information obtained as part of your remittance and ongoing compliance monitoring and what level of fiduciary responsibility are you willing to take on?
- 33) How do you share information with approved investment providers to ensure that employees and providers remain in compliance with IRS requirements and guidelines?
- 34) You may want to discuss employee notification efforts, universal availability testing, loan testing, hardship withdrawal testing, MAC calculation testing, excess contribution verification testing and any other areas of ongoing review, compliance and support that your company provides, as appropriate.

- 35) You may also want to provide samples of annual or interim reports, communications or other information that you might provide to the college, the employees or even the vendors, as applicable.
- 36) Would your firm commit to conducting or attending annual or semi-annual employee education meetings?
- 37) Do you offer employees the ability to go on line to view their vendor and plan selections, update personal information and change election options and if so is this through a secure web site (please explain in detail)?
- 38) If applicable, please include the cost of “ongoing remittance and administrative support services” as a separate item in the cost proposal.
- 39) Listed above are some questions to be addressed. Please provide any additional information you feel would be appropriate for this section of the questionnaire.

Part V – IRS Audit Support

- 40) What level of support would you provide to assist in completing a pre-audit questionnaire from the IRS?
- 41) What level of support would you provide in assisting with a full blown IRS audit were this to occur?
- 42) What level of support would you provide in negotiating a settlement agreement with the IRS in response to either a pre-audit questionnaire or a full blown audit?
- 43) What level of legal advice and support would you provide related to any involvement with the IRS?
- 44) Please discuss the type and extent of legal support services and IRS audit support services your company provides to clients.
- 45) If applicable, please include the cost of “IRS audit and legal support services” as a separate item in the cost.
- 46) Listed above are some questions to be addressed. Please provide any additional information you feel would be appropriate for this section of the questionnaire.

Part VI - Other Services or Additional Information

- 47) Please list the anticipated staff to be assigned to each account.
- 48) Discuss the financial strength and stability of your company.
- 49) Please provide some college and/or school district references (preferably from Illinois or similarly sized entities).
- 50) Provide any information on the software systems, web based systems or other software and/or hardware support your company provides as part of this service.
- 51) What type of hold harmless provisions are you anticipating as part of the contracting process?
- 52) Please provide a sample contract you would anticipate executing, if available? If not available, what would be the process for developing such a contract?
- 53) Do you have audit reports, internal control reports, SOC 1 reports or other reports from independent auditors or others that could attest to your financial strength, stability and sound operational policies and procedures?
- 54) Listed above are some questions to be addressed. Please provide any additional information you feel would be appropriate for this section of the questionnaire.
- 55) How would you make sure that all documents used are in compliance with current IRS regulations and meet all IRS requirements and guidelines?

Part VII – Cost Proposals

- 56) We know that some vendors might agree to pay for ongoing monthly remittance service fees, while others will not (forcing either the college or the employee to pick up this cost). Please provide your pricing assuming that no vendors will pay for ongoing monthly fees so that we can appropriately compare costs (not who is paying them).
- 57) Please provide a price breakdown for all services rendered under “Part II – Compliance Services” of this RFP and clearly state the nature and basis of the charge.
- 58) Please provide a price breakdown for all services rendered under “Part III – Post Review and Administrative Plan Set Up” of this RFP and clearly state the nature and basis of the charge.

- 59) Please provide a price breakdown for all services rendered under “Part IV – Ongoing Remittance and Administrative Support” of this RFP and clearly state the nature and basis of the charge.
- 60) Please provide a price breakdown for all services rendered under “Part V – IRS Audit Support” of this RFP and clearly state the nature and basis of the charge.
- 61) Please provide a price breakdown for all services rendered under “Part VI – Other Services and Additional Information” of this RFP and clearly state the nature and basis of the charge.

Selection Process and Criteria

A selection committee consisting of members of JJC’s Financial Services Committee will review all responses. Based on the selection committee’s evaluation of the responses, 2 or 3 potential consultants will be selected and may be asked to participate in a final interview with the committee. Primary evaluation criteria will include, in order of importance:

1. The perceived ability of the Consultant to best meet JJC’s needs based on the understanding of the engagement demonstrated in the consultant’s response.
2. Extent of relevant experience and/or expertise.
3. Feedback from references.
4. Description of level and structure of fees. JJC is fee sensitive and strives to keep fees low. However, the evaluation of fees will entail an evaluation of best value vs. cost, or consideration of other factors such as consultant’s proposed fiduciary role, level of service, professionalism, and/or proactivity.

Timeline:

The following schedule provides key events and their associated completion dates, and is provided primarily for planning purposes. JJC may modify the project timeline at its discretion.

No.	RFP Activity	Target Date
1.	Distribute RFP	March 7, 2014
2.	Deadline for written submittal of consultant questions, clarifications, and exceptions of specifications	March 17, 2014
3.	JJC’s response to vendor questions	March 20, 2014
4.	Sealed responses due to JJC	March 27, 2014 on or before 4:00 p.m. CST
5.	Evaluation Period	March 31 thru April 7
6.	Optional Interviews	Week of April 14
7.	Announcement of Intent to Award	May 6, 2014
8.	Contract effective	July 1, 2014

Questions and Clarification

Please submit all questions to the attention of Judy Mitchell, Ed.D at the following email address: jmitchel@jjc.edu. Responses will be posted to the JJC website <http://www.jjc.edu/about/operational/business-auxiliary/purchasing> by end of business on Thursday, March 20, 2104.

Delivery of Response

Please provide four (4) copies of your response to this RFP (in the format specified in this RFP). All material submitted must be spiral bound, and include a table of contents at the beginning of the proposal. Also, please include one (1) complete electronic copy (via CD/DVD or email).

All materials and information submitted by the Respondent will be treated as confidential by CLIENT, to the extent permitted by law.

Deadline for receipt of response is 4:00 p.m. (Central Time) on March 27, 2014.

Responses should be directed to:

Judy Mitchell, Ed.D.
Vice President of Administrative Services
Joliet Junior College
1215 Houbolt Road, A 3120
Joliet, IL 60431

V. ADDITIONAL INFORMATION, EXPECTATIONS AND CONTRACT REQUIREMENTS

- **JJC Revisions**

This RFP represents the best effort of JJC to document its requirements for this project. JJC reserves the right to adjust the specifications or scope of effort stated in this RFP. In the event that any modifications are necessary, JJC will notify all consultants remaining in consideration via a written addendum to this RFP.
- **Consultant's Responsibility**

It is the consultant's responsibility to provide a complete response to the RFP. If the consultant believes more information is necessary for a proper response, questions should be directed via email to jmitchell@jjc.edu. In some cases, if additional information is provided to one potential consultant, similar information will be provided to other consultants receiving this RFP.
- **Use and Disclosure**

JJC reserves the right to use information submitted in response to this document in any manner it may deem appropriate in evaluating the fitness of the services proposed. Materials that are submitted by the consultant that should be considered highly confidential should be marked as such. If confidentiality is requested but cannot be afforded, the consultant will be notified and will be permitted to withdraw its proposal.
- **Liability**

The issuance of this document and the receipt of the information in response to this RFP will not in any way cause JJC to incur liability or obligation, financial or otherwise. JJC assumes no obligation to reimburse or in any way compensate consultant for expenses incurred in connection with response to this RFP.
- **Compliance**

By responding to this RFP, the consultant is providing assurance that in the performance of the service covered under this RFP it will comply with all State and Federal laws and regulations.
- **Independent Consultant Status**

All personnel assigned by the consultant to perform services will be employees of the consultant and the consultant will pay all salaries and expenses of, and all federal, social security, unemployment taxes, and any other payroll or withholding taxes relating to such employees. The consultant will be considered, for all purposes, an independent consultant, and it will not, directly or indirectly, act as an agent, servant or employee of JJC, or make any commitments or incur any liabilities on behalf of JJC without its prior written consent. ***Revenue sharing between the consultant and investment companies is not allowed (e.g., 12B-1 fees). All 12B-1 fees must be regularly deposited into an ERISA bucket to offset plan provider fees.***