

City of Salem, Massachusetts



Request for Proposals

R-02

Deferred Compensation Management Services

Monday, January 11, 2016

PROPOSALS DUE:

Tuesday, January 25, 2016, 11:00 AM

*Late proposals will be rejected

Whitney C. Haskell
Purchasing Agent
93 Washington Street, 2nd Floor
Salem, MA 01970
whaskell@salem.com
(978) 619-5695

REQUEST FOR PROPOSALS
R-02
DEFERRED COMPENSATION PLAN MANAGEMENT SERVICES
COVER SHEET

Proposer: _____

Street Address: _____
(Number and Street) (City) (State) (Zip)

Taxpayer
Identification No: _____
(Social Security Number) (Federal Identification Number)

Contact Name: _____

Telephone: _____

Email Address: _____

Fax: _____

Authorized
Signature: _____

Name: _____

Title: _____

Date: _____

<p style="text-align: center;">REQUEST FOR PROPOSALS R-02 DEFERRED COMPENSATION PLAN MANAGEMENT SERVICES CHECKLIST</p>

Submissions:

	Yes	No
1. Cover Sheet		
2. Proposer's Checklist (this sheet)		
3. Price Proposal		
• Price Proposal Form		
4. Non-Price/Technical Proposal		
• Required Certifications		
• Plan of Services		
5. Acknowledgement of Addenda: Addendum #1 Date:_____ Addendum #2 Date:_____ Addendum #3 Date:_____ Addendum #4 Date:_____		

Minimum Requirements:

	Yes	No
Proposal must contain all required components.		
Proposer must be licensed and registered under all relevant state and federal law.		
Proposer must have a minimum of seven to ten years of experience in providing the proposed services and products.		
Proposer must have a program in place to provide individual participant advisory services supported by customer service representatives.		

<p>REQUEST FOR PROPOSALS R-02 DEFERRED COMPENSATION PLAN MANAGEMENT SERVICES PRICE PROPOSAL</p>

Please submit a fee proposal for the scope of services contained herein, for the duration of the three (3) year contract.

In the proposal please describe and costs to be incurred as a result of your services.

<p style="text-align: center;">REQUEST FOR PROPOSALS R-02 DEFERRED COMPENSATION PLAN MANAGEMENT SERVICES REQUIRED CERTIFICATIONS</p>
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NON-COLLUSION:

The undersigned certifies under penalties of perjury that this bid or proposal has been made and submitted in good faith and without collusion or fraud with any other person. As used in this certification, the word "person" shall mean any natural person, business, partnership, corporation, union, committee, club, or other organization, entity, or group of individuals.

(Signature of authorized individual submitting proposal)

(Printed Name)

(Name of Proposer)

(Federal Tax Identification or Social Security Number)

(Date)

TAX COMPLIANCE:

Pursuant to M.G.L. c. 62C, §49A, I certify under the penalties of perjury that, to the best of my knowledge and belief, I am in compliance with all laws of the Commonwealth relating to taxes, reporting of employees and contractors, and withholding and remitting child support.

(Signature of authorized individual submitting proposal)

(Printed Name)

(Name of Proposer)

(Federal Tax Identification or Social Security Number)

(Date)

CORPORATE BIDDER *(if applicable):*

I, _____ certify that I am the _____ of the corporation named as Bidder in the Bid included herein, that _____, who signed said Bid on behalf of the Bidder was then _____ of said corporation, that I know his signature, that his signature thereon is genuine and that said Bid was duly signed, sealed and executed for and in behalf of said corporation by authority of its governing body.

(Corporate Seal)

(Secretary-Clerk)

(Signature of authorized individual submitting proposal)

(Printed Name)

(Name of Proposer)

(Federal Tax Identification or Social Security Number)

(Date)

PART 1. GENERAL INFORMATION

1.1 PROCUREMENT DESCRIPTION

1.1.1 INTRODUCTION

The City of Salem is seeking proposals from qualified firms to assist the city in selecting and managing its 457 and 403(b) plan providers offering retirement plans to City employees. The City currently has numerous providers and seeks a firm to assist in selecting providers, recommending those to maintain and educating employees about plan offerings.

The term of any contract that results from this procurement shall be for a term of three (3) years.

1.1.2 BACKGROUND INFORMATION

As of April 1, 2015:

457 Plans:

	City	School	Total
Eligible Employees:	863	403	1266
Employees with Accounts:	184	6	190

Current Providers	Participants (City)	Participants (School)	Total
Nationwide	92	1	93
VALIC	20	1	21
Great-West	49	4	53
Security Benefits	22	0	22
Great America	1	0	1

403(b) Plans:

	School
Eligible Employees:	1051 (858 full time and 193 part time)
Employees with Accounts:	177

Current Providers	Participants (School)
AXA Equitable	102
Fidelity Investments	20
Great American Life	6
Lincoln Investments	42
Metropolitan	7

1.2 APPLICABLE LAW

This procurement will be conducted pursuant to M.G.L. ch. 30B, sec. 6.

1.3 APPROVAL

Any contract that may result from the procurement shall be subject to the approval of the Mayor of the City of Salem.

1.4 INCORPORATION BY REFERENCE

All requirements, specifications, terms and conditions described in this Request for Proposals ("RFP") shall be incorporated by reference into any contract that may result.

1.5 TIME FOR AWARD

Any contract that may result from the procurement shall be awarded within forty five (45) days after the proposal due date. The time for award may be extended for up to 45 additional days by mutual agreement between the City and the most advantageous proposer.

1.6 RIGHT TO CANCEL/REJECT

The City reserves the right to cancel this RFP or reject in whole or in part any and all proposals if the City determines that cancellation or rejection serves the best interests of the City.

1.7 TAXATION

Purchases made by the City are exempt from the payment of Federal excise tax and the payment of Commonwealth of Massachusetts sales tax and any such taxes must not be included in the proposal pricing.

Copies of the City's tax exempt paperwork shall be available upon request of the selected contractor.

1.8 OBTAINING THE REQUEST FOR PROPOSALS

The RFP shall be available beginning, Tuesday, January 26, 2016, 11:00 AM.

The RFP and related documents shall be available for free download from the City's Purchasing Department website at http://salem.com/Pages/SalemMA_Purchasing/index under the link titled "IFBs RFPs, and RFQs."

Hardcopies of the RFP and related documents may be obtained at the Office of the Purchasing Agent, 93 Washington Street, Salem, MA 01970, during regular office hours:

Monday-Wednesday: 8:00 AM – 4:00 PM
Thursday: 8:00 AM – 7:00 PM
Friday: 8:00 AM – 12:00 PM

PART 2. INSTRUCTIONS TO PROPOSERS

2.1 REQUIREMENTS AND SUBMISSIONS

Below please find a description of the requirements and submissions that must be included as part of a proposal.

2.1.1 PRICE PROPOSAL FORM

Every proposal must include a completed 'Price Proposal Form'. See attached. The price proposal shall be separately sealed and labeled as "Price Proposal".

2.1.2 NON-PRICE/TECHNICAL PROPOSAL

Each proposal must include a Non-Price/Technical, which shall be separately sealed and labeled as "Non-Price Proposal," containing:

☐ NON-COLLUSION FORM

Every proposal must include a certification of good faith, certifying that the proposal was made in good faith and without collusion or fraud. See 'Non-Collusion Form' attached.

☐ TAX COMPLIANCE FORM

Every proposal must include a written certification that the proposer has complied with all state laws relating to taxes, reporting of employees and contractors, and child support. See 'Tax Compliance Form' attached.

☐ CORPORATE BIDDER FORM

If the proposal is being submitted by a corporation the proposal must include a certification that the individual submitting the bid has been authorized to bind the corporation. See 'Certificate of Corporate Authority' attached.

☐ PLAN OF SERVICES

The Plan of Services should include, but is not limited to:

1. Letter of Transmittal (signed by authorized representative):

- a) Identify legal name, form address and principal place of business
- b) Identify form of company, (corporation, partnership, joint venture etc...)
- c) List the name and contact information for the principal contact during the evaluation phase.
- d) Validate that proposer is authorized to do business in the state of Massachusetts.
- e) Indicate number of years proposer has been in business of providing services described in this RFP.

2. Overview of Proposer's Methodology for Implementing and Providing Services:

- a) Detailed summary of implementation plan
 - i) Transition strategy
 - ii) Sample communications/material explaining changes
 - iii) Timeline describing necessary actions, parties and target completion dates
- b) Recordkeeping
- c) Reporting
- d) Employee education, communication and support
- e) Hardware and Software
 - i) Describe any hardware platform and software systems that will be used to manage the plans
 - ii) Describe security measures when transmitting information between your organization and clients
 - iii) Describe the organization's policies and procedures for preventing unauthorized access or alteration, fraud, theft, misuse or damage to the hardware, software, communication network and data.

3. Key Personnel and Experience:

- a) Summary of dedicated personnel and their functions
- b) Resumes/Corporate Profiles of key personnel
- c) Evidence of licensing and registration necessary to provide services described herein
- d) Evidence of certification that proposer is qualified to provide administration services and investment products pursuant to Section 457 of the Internal Revenue Code.

4. Legal Actions

- a) Proposer must provide a listing and brief description of all material legal actions, for the past five (5) years in which proposer, or any division, subsidiary or parent entity of proposer, or any member, partner etc... of proposer has been:
 - i) A debtor in bankruptcy; or
 - ii) A plaintiff or defendant in a legal action for deficient performance under a contract or violation of a statute or related to service reliability; or
 - iii) A respondent in an administrative action for deficient performance on a project or in violation of a statute or related to service reliability; or
 - iv) A defendant in any criminal action; or
 - v) A named insured of an insurance policy for which the insured has paid a claim related to deficient performance under a contract or in violation of a statute or related to service reliability; or
 - vi) A principal of a bond for which a surety has provided contract performance or compensation to an obligee of the bond due to deficient performance under a contract or in violation of a statute or related to service reliability; or
 - vii) A defendant or respondent in a governmental inquiry or action regarding accuracy of preparation of financial statements or disclosure documents.

5. References and Current Contracts

Provide references from at least three (3) organizations for which proposer is currently providing similar services, identifying the contractual relationship.

2.2 PROPOSAL DELIVERY

Below please find a description of the manner in which sealed proposals must be submitted. Price and Non-Price proposals must be separately sealed and labeled.

2.2.1 DUE DATE AND TIME

Proposals shall be received by the Office of the Purchasing Agent on or before **Tuesday, January 26, 2016 at 11:00 AM**

Any proposal received after that time shall be rejected as non-responsive.

2.2.2 ADDRESS

Sealed proposals shall be delivered to the Office of the Purchasing Agent, 93 Washington Street, 2nd Floor, Salem, MA 01970.

Facsimile and email submissions will not be accepted.

2.2.3 HOURS OF OPERATION

Proposals must be delivered during the normal hours of operation of the City of Salem:

Monday-Wednesday:	8:00 AM-4:00 PM
Thursday:	8:00 AM-7:00 PM
Friday:	8:00 AM-12:00 PM

2.2.4 COPIES

Proposers must submit one (1) original and two (2) copies of the proposal.

2.2.5 LABELING

Price and Non-Price proposals must be separately sealed and labeled. Each proposal shall be labeled with (1) the proposal number and title, (2) the proposal due date, (3) the name of the proposer and (4) price or non-price proposal.

2.3 SIGNATURES

A proposal must be signed as follows: 1) if the proposer is an individual, by her/him personally; 2) if the proposer is a partnership, by the name of the partnership, followed by the signature of each general partner; and 3) if the proposer is a corporation, by the authorized officer, whose signature must be attested to by the clerk/secretary of the corporation, and with the corporate seal affixed.

2.4 QUESTIONS, CHANGES, MODIFICATIONS AND WITHDRAWALS

2.4.1 QUESTIONS

Questions concerning this RFP must be submitted in writing to: Whitney Haskell at whaskell@salem.com at least five (5) days prior to the bid opening date. Written responses will be mailed to all bidders on record as having picked up the RFP.

2.4.2 CHANGES

If any changes are made to this RFP, addenda will be issued. Addenda will be posted in the Office of the Purchasing Agent, on the website and e-mailed to all proposers on record as having picked up the RFP.

2.4.3 MODIFICATIONS AND WITHDRAWALS

A proposer may correct, modify, or withdraw a proposals by written notice received by the City of Salem prior to the time and date set the proposal due date.

Modifications must be submitted in a sealed envelope clearly labeled "Modification No.____" to the address listed in part one of this section. Each modification must be numbered in sequence, and must reference the RFP.

After the proposal due date, a proposer may not change any provision of the proposal in a manner prejudicial to the interests of the City or fair competition. Minor informalities will be waived or the proposer will be allowed to correct them.

2.5 UNFORESEEN OFFICE CLOSURES

If, at the time of the scheduled due date, 93 Washington Street, 2nd Floor, Salem, MA 01970, is closed due to uncontrolled events such as fire, snow, ice, wind, or building evacuation, the due date will be postponed until 2:00 PM on the next normal business day. Proposals will be accepted until that date and time.

PART 3. SCOPE OF SERVICES

The selected proposer will be primarily responsible for managing plan vendors on behalf of the City and its employees.

Management services will include, but are not limited to:

- Assistance with selecting, implementing and monitoring plan vendors
- Educating and advising City employees on retirement planning
- Educating and advising City leaders on retirement planning and decision-making
- Developing short and long terms retirement goals and strategies for employees
- Recordkeeping Services

PART 4. EVALUATION AND SELECTION

4.1 MINIMUM REQUIREMENTS

Proposal must contain all required components.

Proposer must be licensed and registered under all relevant state and federal law.

Proposer must have a minimum of seven to ten years of experience in providing the proposed services and products.

Proposer must have a program in place to provide individual participant advisory services supported by customer service representatives.

4.2 COMPARATIVE CRITERIA

1. Experience:

Highly Advantageous:	Proposer has been regularly engaged in the business of providing the services described herein for ten (10) or more years.
Advantageous:	Proposer has been regularly engaged in the business of providing the services described herein for between five (5) and ten (10) years.
Not Advantageous:	Proposer has been regularly engaged in the business of providing the services described herein for less than five (5) years.

2. Qualifications:

Highly Advantageous:	All proposed team members are highly qualified.
Advantageous:	Most proposed team members are highly not qualified.
Not Advantageous:	Proposed team members are not highly qualified.

3. Implementation Plan:

Highly Advantageous:	The implementation plan is thorough and will facilitate a timely and smooth transition.
Advantageous:	The implementation plan lacks detail.
Not Advantageous:	The implementation plan is not complete.

4. Overall Strategy

Highly Advantageous:	The overall strategy of administration is complete, detailed and offers and innovation and efficient approach to the scope of work.
Advantageous:	The overall strategy offers a credible approach to all required components.
Not Advantageous:	The overall strategy is not sufficiently detailed to evaluate, or does not address all required components.

5. Quality of Work/References:

Highly Advantageous:	All references are favorable.
Advantageous:	One reference is not favorable.
Not Advantageous:	More than one reference is not favorable.

6. Presentation/Interview:

Highly Advantageous:	The presentation was clear, complete and indicates an ability to successfully perform the scope of services.
Advantageous:	The presentation indicated an ability to satisfactorily perform the scope of services.
Not Advantageous:	The presentation indicated an inability to perform the scope of services.

4.3 RULE FOR AWARD

Any contract that may result from this procurement shall be awarded to the responsible and responsive proposer offering the most advantageous proposal, taking into consideration all evaluation criteria described herein, as well as price.

4.4 SELECTION PROCESS

Following the deadline for receipt of proposals, the Chief Procurement Officer ("CPO") will open the non-price proposals and prepare a register of proposals submitted. The non-price proposals will be evaluated by an evaluation committee based on the Minimum Requirements and Comparative Criteria contained in this RFP. The evaluation committee shall notify the CPO which proposal was deemed most advantageous. The CPO will then open and evaluate the price proposals, and award the contract to the most advantageous proposal taking into account the evaluation criteria and price.

PART 5. TERMS AND CONDITIONS

5.1 TERM OF CONTRACT

The term any contract that results from this RFP, shall commence on or around August 1, 2016 and terminate July 31, 2019.

5.2 ASSIGNMENT AND SUBCONTRACTING

The selected contractor(s) shall not assign, sell, subcontract or otherwise transfer any interest in this contract without the prior written consent of the City.

5.3 INSURANCE REQUIRMENTS

General- The Vendor shall before commencing performance of the Contract be responsible for providing and maintaining insurance coverage in force for the life of the Contract of the kind and in adequate amounts to secure all of the obligations under the Contract and with insurance companies licensed to write insurance in the Commonwealth of Massachusetts. All such insurance carried shall not be less than the kinds and amounts designated herein, and the Vendor agrees that the stipulation herein of the kinds and limits of coverage shall in no way limit the liability of the Vendor to any such kinds and amounts of insurance coverage. All policies issued shall indemnify and save harmless the City of Salem, its agents and employees from any and all claims for damages to persons or property as may rise out of the performance of this Contract.

The insurance in force must include Errors and Omissions. Vendor must provide City with a copy of its fiduciary liability policy and the coverage amounts.

The Vendor must carry Workman's Compensation Insurance in the amounts prescribed under Massachusetts State Law and meet all other City and State Laws and Regulations.

No cancellation(s) of such insurance, whether by the insurer or by the insured party shall be valid unless written notice thereof is given by the parties proposing cancellation to the other party and to the City of Salem at least fifteen (15) days prior to the intended effective date thereof, which date shall be expressed in said notice, which shall be sent by registered mail, return receipt requested. These provisions shall apply to the legal representative(s), trustee in bankruptcy, receiver, assignee, trustee, and successor(s) in interest of the Vendor.

All insurance coverage shall be at the sole expense of the Vendor and shall be placed with such company as may be acceptable to the City of Salem and shall constitute a material part of the contract documents.

Failure to provide written proof to City and continue in force such insurance as aforesaid shall be deemed a material breach of the contract, and may constitute sufficient grounds for immediate termination of the same.

5.4 INDEMNIFICATION

Unless otherwise provided by law, the Vendor will indemnify and hold harmless the City against any and all liability, loss, damages, costs or expenses for personal injury or damage to real or tangible personal property which the City may sustain, incur or be required to pay, arising out of or in connection with the performance of the Contract by reason of any negligent action/inaction or willful misconduct by the Contractor, its agents, servants or employees.

5.5 FEDERAL AND STATE LAW

The selected contractor shall comply with all applicable Federal, State and Local laws and ordinances.

5.6 SAMPLE CONTRACT

See 'Sample Contract' attached.

SAMPLE CONTRACT

CITY OF SALEM

XXXXXXX

Contract Number: X-XX

1. THIS AGREEMENT made and concluded this ____ day of _____ in the year Two Thousand Thirteen by and between _____; hereinafter referred to as the (Vendor) and the City of Salem, 93 Washington Street, Salem, MA 01970, a municipal corporation established under the laws of the Commonwealth of Massachusetts, acting by and through its Mayor, Kimberley Driscoll; its Purchasing Agent, Whitney Haskell; and its _____; thereto duly authorized, hereinafter referred to as the (City).

2. WITNESSETH, that the said Vendor has agreed and by these presents does agree, for the consideration hereinafter contained to provide _____, pursuant to the scope of services, terms and conditions described in Request for Proposals/Invitation for Bids _____,

In case of any alteration of this contract, so much thereof as is not necessarily affected by the change, shall remain in force upon all parties hereto; and no payment for _____ furnished under such alteration shall be made until the completion of the whole contract, and the adjustment and payment of the bill when rendered for same shall release and discharge the said City from any and all claims or liability on account of _____ furnished under this contract, or any alteration thereof.

3. **Performance Period:** _____.

4. The Vendor shall not assign or transfer this contract, or any part thereof without the prior written consent of the Purchasing Agent of said City.

5. And the said Vendor further agrees to indemnify and save harmless the said City of Salem, its officers and agents from all claims and actions of every name and description brought against the said City, or its officers and agents, for or on account of any injury or damage received or sustained by any person, structure or property, by or from the said Vendor, servants or agents, or by, or on account of, any act or omission of the said Vendor, or servants or agents, in the performance of this contract; and the Vendor hereby agrees that so much of the money due to under, and by virtue of, this agreement, as shall be considered necessary by said Purchasing Agent, may be retained by the City until all such suits or claims for damages as aforesaid, shall have been settled, and evidence furnished to the satisfaction of said Purchasing Agent, provided, however, that notice of such claims, in writing and signed by the claimants, shall be previously filed in the offices of the City Clerk of said City.

6. It is furthermore agreed by the Vendor that the performance of this contract shall be strictly in accordance with its bid/proposal dated _____ now on file at the Office of the City Purchasing Agent of Salem, Massachusetts, which proposal is hereby made a part of this contract by reference.

7. IN CONSIDERATION WHEREOF, the City agrees to pay to the Vendor _____ (\$_____), said payment to be made within thirty days from receipt and acceptance of a reasonably detailed invoice. **THE ABOVE CONTRACT NUMBER MUST BE REFERENCED ON ALL INVOICES IN ORDER FOR THE VENDOR TO BE PAID.**

8. **Insurance Coverage:**

General - The Vendor shall before commencing performance of the Contract be responsible for providing and maintaining insurance coverage in force for the life of the Contract of the kind and in adequate amounts to secure all of the obligations under the Contract and with insurance companies licensed to write insurance in the Commonwealth of Massachusetts. All such insurance carried shall not be less than the kinds and amounts designated herein, and the Vendor agrees that the stipulation herein of the kinds and limits of coverage shall in no way limit the liability of the Vendor to any such kinds and amounts of insurance coverage. All policies issued shall indemnify and save harmless the City of Salem, its agents and employees from any and all claims for damages to persons or property as may rise out of the performance of this Contract.

Vendor's Comprehensive General Public Liability and Property Damage Liability Insurance - The Vendor shall carry Comprehensive General Liability Insurance providing for a limit of not less than Five Hundred Thousand Dollars (\$500,000.00) for all damages arising out of bodily injury to or death of one person, and subject to that limit for each person, a total limit of not less than One Million Dollars (\$1,000,000.00) for all damages arising out of bodily injuries or death of two or more persons in any one accident; and Vendor's Comprehensive Property Damage Liability Insurance providing for a limit of not less than Five Hundred Thousand Dollars (\$500,000.00) for all damages arising out of injury to or destruction of property in any one accident, and subject to that limit per accident, a total (or aggregate) limit or not less than One Million Dollars (\$1,000,000.00) for all damages arising out of injury to or destruction of property during the policy period.

The Vendor must carry Workman's Compensation Insurance in the amounts prescribed under Massachusetts State Law and meet all other City and State Laws and Regulations.

No cancellation(s) of such insurance, whether by the insurer or by the insured party shall be valid unless written notice thereof is given by the parties proposing cancellation to the other party and to the City of Salem at least fifteen (15) days prior to the intended effective date thereof, which date shall be expressed in said notice, which shall be sent by registered mail, return receipt requested. These provisions shall apply to the legal representative(s), trustee in bankruptcy, receiver, assignee, trustee, and successor(s) in interest of the Vendor.

All insurance coverage shall be at the sole expense of the Vendor and shall be placed with such company as may be acceptable to the City of Salem and shall constitute a material part of the contract documents.

Failure to provide written proof to City and continue in force such insurance as aforesaid shall be deemed a material breach of the contract, and may constitute sufficient grounds for immediate termination of the same.

9. This Agreement may be terminated upon thirty (30) days prior written notice for failure of Vendor to provide adequate service as determined by the Purchasing Agent.
10. This Agreement will be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts. This Agreement is subject to the provisions of Massachusetts's law, and to all lawful implementing regulations, as amended from time to time.
11. IN WITNESS WHEREOF the said; (_____); Vendor hath caused these presents and an instrument of like tenor to be executed in its name and behalf by a properly authorized officer of said company.
An instrument of like tenor to be executed by the City in its name and behalf by its Mayor; its Purchasing Agent, and its _____.

All duly authorized as aforesaid, and its corporate seal to be hereto affixed.

By:

CITY OF SALEM

By:

Authorized Signature

**Kimberley Driscoll,
Mayor**

Authorized Officer (print name)

**Sarah Stanton,
Finance Director**

Title

**Whitney Haskell,
Purchasing Agent**

Approved as to form:

**Elizabeth Rennard, Esq.,
City Solicitor**