Request for Proposal
UK-1872-19
Proposal Due Date - 08/02/18

Third-Party Administrator to provide Recordkeeping Services for the Defined Contribution Plans
REQUEST FOR PROPOSAL (RFP)

ATTENTION: This is not an order. Read all instructions, terms and conditions carefully.

PROPOSAL NO.: UK-1872-19
Issue Date: 7/11/2018
Title: TPA Recordkeeping Services Defined
Purchasing Officer: John E. Deans, C.P.M.
Phone: 859-257-6759

RETURN ORIGINAL COPY OF PROPOSAL TO:
UNIVERSITY OF KENTUCKY PURCHASING DIVISION
411 S LIMESTONE
ROOM 322 PETERSON SERVICE BLDG.
LEXINGTON, KY 40506-0005

IMPORTANT: PROPOSALS MUST BE RECEIVED BY: 08/02/2018 3 P.M. LEXINGTON, KY TIME.

NOTICE OF REQUIREMENTS
1. The University’s General Terms and Conditions and Instructions to Bidders, viewable at www.uky.edu/Purchasing/terms.htm, apply to this RFP. When the RFP includes construction services, the University’s General Conditions for Construction and Instructions to Bidders, viewable at www.uky.edu/Purchasing/copp/home.htm, apply to the RFP.
2. Contracts resulting from this RFP must be governed by and in accordance with the laws of the Commonwealth of Kentucky.
3. Any agreement or collusion among offerors or prospective offerors, which restrains, tends to restrain, or is reasonably calculated to restrain competition by agreement to bid at a fixed price or to refrain from offering, or otherwise, is prohibited.
4. Any person who violates any provisions of KRS 45A.325 shall be guilty of a felony and shall be punished by a fine of not less than five thousand dollars nor more than ten thousand dollars, or be imprisoned not less than one year nor more than five years, or both such fine and imprisonment. Any firm, corporation, or association who violates any of the provisions of KRS 45A.325 shall, upon conviction, be fined not less than ten thousand dollars or more than twenty thousand dollars.

AUTHENTICATION OF BID AND STATEMENT OF NON-COLLUSION AND NON-CONFLICT OF INTEREST
I hereby swear (or affirm) under the penalty for false swearing as provided by KRS 523.040:
1. That I am the offeror (if the offeror is an individual), a partner, (if the offeror is a partnership), or an officer or employee of the bidding corporation having authority to sign on its behalf (if the offeror is a corporation);
2. That the attached proposal has been arrived at by the offeror independently and has been submitted without collusion with, and without any agreement, understanding or planned common course of action with, any other Contractor of materials, supplies, equipment or services described in the RFP, designed to limit independent bidding or competition;
3. That the contents of the proposal have not been communicated by the offeror or its employees or agents to any person not an employee or agent of the offeror or its surety on any bond furnished with the proposal and will not be communicated to any such person prior to the official closing of the RFP;
4. That the offeror is legally entitled to enter into contracts with the University of Kentucky and is not in violation of any prohibited conflict of interest, including, but not limited to, those prohibited by the provisions of KRS 45A.330 to .340, and 164.390;
5. That the offeror, and its affiliates, are duly registered with the Kentucky Department of Revenue to collect and remit the sale and use tax imposed by Chapter 139 to the extent required by Kentucky law and will remain registered for the duration of any contract award;
6. That I have fully informed myself regarding the accuracy of the statement made above.

SWORN STATEMENT OF COMPLIANCE WITH CAMPAIGN FINANCE LAWS
In accordance with KRS45A.110 (2), the undersigned hereby swears under penalty of perjury that he/she has not knowingly violated any provision of the campaign finance laws of the Commonwealth of Kentucky and that the award of a contract to a bidder will not violate any provision of the campaign finance laws of the Commonwealth of Kentucky.

CONTRACTOR REPORT OF PRIOR VIOLATIONS OF KRS CHAPTERS 136, 139, 141, 337, 338, 341 & 342
The contractor by signing and submitting a proposal agrees as required by 45A.485 to submit final determinations of any violations of the provisions of KRS Chapters 136, 139, 141, 337, 338, 341 and 342 that have occurred in the previous five (5) years prior to the award of a contract and agrees to remain in continuous compliance with the provisions of the statutes during the duration of any contract that may be established. Final determinations of violations of these statutes must be provided to the University by the successful contractor prior to the award of a contract.

CERTIFICATION OF NON-SEGREGATED FACILITIES

The contractor, by submitting a proposal, certifies that he/she is in compliance with the Code of Federal Regulations, No. 41 CFR 60-1.8(b) that prohibits the maintaining of segregated facilities.

SIGNATURE REQUIRED: This proposal cannot be considered valid unless signed and dated by an authorized agent of the offeror. Type or print the signatory's name, title, address, phone number and fax number in the spaces provided. Offers signed by an agent are to be accompanied by evidence of his/her authority unless such evidence has been previously furnished to the issuing office.

DELIVERY TIME: NAME OF COMPANY: DUNS #

PROPOSAL FIRM THROUGH: ADDRESS: Phone/Fax:

PAYMENT TERMS: CITY, STATE & ZIP CODE: E-MAIL:

SHIPPING TERMS: F. O. B. DESTINATION PREPAID AND ALLOWED TYPED OR PRINTED NAME: WEB ADDRESS:

FEDERAL EMPLOYER ID NO.: SIGNATURE: DATE:

Revised 2-12-2018
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1.0 **DEFINITIONS**

The term "addenda" means written or graphic instructions issued by the University of Kentucky prior to the receipt of proposals that modify or interpret the RFP documents by additions, deletions, clarifications and/or corrections.

The term "competitive negotiations" means the method authorized in the Kentucky Revised Statutes, Chapter 45A.085.

The terms "offer" or "proposal" mean the offeror’s/offerors’ response to this RFP.

The term "offeror" means the entity or contractor group submitting the proposal.

The term "contractor" means the entity receiving a contract award.

The term "purchasing agency" means the University of Kentucky, Purchasing Division, Room 322 Peterson Service Building, Lexington, KY 40506-0005.

The term "purchasing official" means the University of Kentucky’s appointed contracting representative.

The term "responsible offeror" means a person, company or corporation that has the capability in all respects to perform fully the contract requirements and the integrity and reliability that will assure good faith performance. In determining whether an offeror is responsible, the University may evaluate various factors including (but not limited to): financial resources; experience; organization; technical qualifications; available resources; record of performance; integrity; judgment; ability to perform successfully under the terms and conditions of the contract; adversarial relationship between the offeror and the University that is so serious and compelling that it may negatively impact the work performed under this RFP; or any other cause determined to be so serious and compelling as to affect the responsibility of the offeror.

The term "solicitation" means RFP.

The term "University" means University of Kentucky.
2.0 GENERAL OVERVIEW

2.1 Intent and Scope

This RFP seeks proposals from firms interested in submitting proposals to provide recordkeeping and administrative services for the institution's 403(b), 401(a), 457(b), 457(f) and 415(m) retirement plans. This RFP contains instructions governing the requested proposals, including the requirements for the information and material to be included; a description of the service to be provided; mandatory requirements which Offerors shall meet to be eligible for consideration; general evaluation criteria; and other requirements specific to this RFP.

The following outlines a list of additional goals and objectives sought by the University of Kentucky through this RFP:

- Ensure optimal pricing and full-service delivery from selected recordkeeper(s)
- Reassessment of plan operations and administration to ensure regulatory compliance; selected recordkeeper(s) must be committed to operational excellence
- Continue to increase participant engagement and financial education offerings, as well as improve the overall user experience for University of Kentucky's faculty and staff
- Flexibility and adaptability in service offering, including thoughtful and custom communications
- Strong technology capabilities with tools and services that will allow participants to self-serve while continuing to recognize the importance of customer service for those participants who need assistance. This includes future integration within the University's self-service benefit administration tool, so the participant can have a single sign-on enrollment experience within the benefit enrollment tool.

2.2 Background Information

The University of Kentucky maintains multiple retirement plans, the 403(b), the 401(a), the 457(b), the 415(m), and the 457(f) Retirement Plans (the “Plans”). The Plans are record kept by both TIAA and Fidelity.

Both vendors currently provide one-on-one meetings with employees on a weekly basis as well as participate in conducting periodic group-level financial wellness seminars, covering a variety of topics. The University intends that the selected recordkeeper(s) will assist in the ongoing development of materials and conduct these seminars going forward.

The University of Kentucky funds payrolls on a bi-weekly and monthly basis. All remittance files use SPARK data layouts. Plan documents are on vendor drafted templates and would be transitioned to the selected recordkeeper upon a transition.

Program Demographics

As of December 31, 2017, the University of Kentucky Retirement Savings Plan, consisting of multiple plans, total approximately $5.0 billion in combined total assets. A portion of the assets, approximately
$2.7 billion are liquid, and may be transferred directly to any new provider(s) that UK may select as a result of this RFP. The remaining assets ($2.3 billion) may not be transferred to a new investment provider without individual participant consent.

A breakdown of plan design, assets, contributions, liquidity and other details are provided below:

**Plan Design**

<table>
<thead>
<tr>
<th>Plan</th>
<th>Mandatory Employee Contribution</th>
<th>Employee Contributions</th>
<th>Employer Contributions</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Kentucky 403(b) Mandatory Plan</td>
<td>5% of base salary</td>
<td>IRS limit</td>
<td>10% of base salary</td>
</tr>
<tr>
<td>University of Kentucky 403(b) Voluntary Plan</td>
<td>N/A</td>
<td>Up to IRS limit</td>
<td>N/A</td>
</tr>
</tbody>
</table>

**403(b) Plan Contributions and Assets**

Plan assets are held in a mix of group and individual contracts. Assets that are liquid and that may be moved at the direction of University of Kentucky are identified below.

<table>
<thead>
<tr>
<th>Provider</th>
<th>2016 Contributions</th>
<th>2017 Contributions</th>
<th>403(b) Plan Assets 12/31/2017</th>
<th>403(b) Liquid Assets 12/31/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>TIAA</td>
<td>$94,920,582</td>
<td>$97,589,291</td>
<td>$2,990,956,860</td>
<td>$786,806,380</td>
</tr>
<tr>
<td>Fidelity</td>
<td>$101,531,364</td>
<td>$106,987,575</td>
<td>$1,755,825,329</td>
<td>$1,755,825,329</td>
</tr>
<tr>
<td>Total</td>
<td>$196,451,946</td>
<td>$204,576,866</td>
<td>$4,746,782,189</td>
<td>$2,542,631,709</td>
</tr>
</tbody>
</table>

**401(a) Plan Contributions and Assets**

<table>
<thead>
<tr>
<th>Provider</th>
<th>2016 Contributions</th>
<th>2017 Contributions</th>
<th>401(a) Plan Assets 12/31/2017</th>
<th>401(a) Liquid Assets 12/31/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>TIAA</td>
<td>$1,421,590</td>
<td>$1,585,675</td>
<td>$15,638,729</td>
<td>$12,484,210</td>
</tr>
<tr>
<td>Fidelity</td>
<td>$3,045,366</td>
<td>$2,326,427</td>
<td>$22,551,975</td>
<td>$22,551,975</td>
</tr>
<tr>
<td>Total</td>
<td>$4,466,956</td>
<td>$3,912,102</td>
<td>$38,190,704</td>
<td>$35,036,185</td>
</tr>
</tbody>
</table>

**457(b) Plan Contributions and Assets**

<table>
<thead>
<tr>
<th>Provider</th>
<th>2016 Contributions</th>
<th>2017 Contributions</th>
<th>457(b) Plan Assets 12/31/2017</th>
<th>457(b) Liquid Assets 12/31/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>TIAA</td>
<td>$6,497,572</td>
<td>$5,540,344</td>
<td>$90,415,793</td>
<td>$35,803,841</td>
</tr>
<tr>
<td>Fidelity</td>
<td>$7,060,620</td>
<td>$7,973,918</td>
<td>$84,548,129</td>
<td>$84,548,129</td>
</tr>
<tr>
<td>Total</td>
<td>$13,558,192</td>
<td>$13,514,262</td>
<td>$174,963,922</td>
<td>$120,351,970</td>
</tr>
</tbody>
</table>

**415(m) Plan Contributions and Assets**
## Provider Contributions

<table>
<thead>
<tr>
<th>Provider</th>
<th>2016 Contributions</th>
<th>2017 Contributions</th>
<th>415(m) Plan Assets 12/31/2017</th>
<th>415(m) Liquid Assets 12/31/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>TIAA</td>
<td>$302,354</td>
<td>$309,284</td>
<td>$3,041,611</td>
<td>$2,021,075</td>
</tr>
<tr>
<td>Fidelity</td>
<td>$265,066</td>
<td>$281,888</td>
<td>$2,191,462</td>
<td>$2,191,462</td>
</tr>
<tr>
<td>Total</td>
<td>$567,420</td>
<td>$591,172</td>
<td>$5,233,073</td>
<td>$4,212,537</td>
</tr>
</tbody>
</table>

## Participation Details

<table>
<thead>
<tr>
<th>Plan</th>
<th>Eligible Participants (Approximate)</th>
<th>Active Participants Currently Contributing (Unique Participant Count)</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Kentucky 403(b) Retirement Plan</td>
<td>20,000 (includes voluntary participants) 17,600 eligible for Basic matching plan</td>
<td>17,806</td>
</tr>
<tr>
<td>University of Kentucky 401(a) Retirement Plan</td>
<td>404</td>
<td>345</td>
</tr>
<tr>
<td>University of Kentucky 457(b) Retirement Plan</td>
<td>20,000</td>
<td>1,741</td>
</tr>
<tr>
<td>University of Kentucky 415(m) Retirement Plan</td>
<td>25</td>
<td>16</td>
</tr>
</tbody>
</table>

## TIAA vs. Fidelity Active and Terminated Participants

<table>
<thead>
<tr>
<th>Plan</th>
<th>TIAA Active Participants</th>
<th>TIAA Terminated Participants</th>
<th>Fidelity Active Participants</th>
<th>Fidelity Terminated Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Kentucky 403(b) Retirement Plan</td>
<td>11,475</td>
<td>10,281</td>
<td>18,501</td>
<td>3,002</td>
</tr>
<tr>
<td>University of Kentucky 401(a) Retirement Plan</td>
<td>157</td>
<td>33</td>
<td>249</td>
<td>21</td>
</tr>
<tr>
<td>University of Kentucky 457(b) Retirement Plan</td>
<td>686</td>
<td>217</td>
<td>1,256</td>
<td>65</td>
</tr>
<tr>
<td>University of Kentucky 415(m) Retirement Plan</td>
<td>8</td>
<td>0</td>
<td>11</td>
<td>0</td>
</tr>
</tbody>
</table>
2.3 University Information

The University of Kentucky, founded in 1865, is a public, comprehensive university. As Kentucky’s flagship and land-grant Research University, the University of Kentucky offers a distinctive, welcoming, and vibrant college community. With more than 30,000 students and 17 academic colleges and a graduate school, it is one of only eight universities in America with the full range of professional, medical and liberal arts programs on one contiguous campus. The University of Kentucky is one of the state’s largest employers, with a full range of benefits and professional opportunities with more than 14,000 staff and 2,300 faculty. Programs are offered through the Colleges of Agriculture, Allied Health Professions, Architecture, Arts and Sciences, Business and Economics, Communications and Information Studies, Dentistry, Design, Education, Engineering, Fine Arts, Graduate School, Human Environmental Sciences, Law, Nursing, Pharmacy, Public Health and Social Work. Its 685-acre campus is located in Lexington, 75 miles from Cincinnati.

Since his arrival, President Eli Capilouto has set forth an ambitious agenda to extend and enhance our role as Kentucky’s land-grant and flagship research University. By focusing on infrastructure growth and improvement; creating opportunities for innovative teaching, learning, and academic excellence; fostering a robust research and creative scholarship enterprise; providing life-saving subspecialty care; empowering communities through service and outreach; and encouraging a transparent and shared dialogue about institutional priorities; the University of Kentucky will ensure a new century of promise for the people we impact.

Established in 1957, the medical center at UK is one of the nation’s finest academic medical centers and includes the University’s clinical enterprise, UK HealthCare. The 569-bed UK Albert B. Chandler Hospital and Kentucky Children’s Hospital, along with 256 beds at UK Good Samaritan Hospital, are supported by a growing faculty and staff providing the most advanced subspecialty care for the most critically injured and ill patients throughout the Commonwealth and beyond. Over the last several years, the number of patients served by the medical enterprise has increased from roughly 19,000 discharges to more than 36,000 discharges in 2014.

UK Chandler Hospital includes the only Level 1 Trauma Center for both adult and pediatric patients in Central and Eastern Kentucky. In addition, UK HealthCare recently opened one of the country’s largest robotic hybrid operating rooms and the first of its kind in the region. While our new patient care pavilion is the leading healthcare facility for advanced medical procedures in the region, our talented physicians consult with and travel to our network of affiliate hospitals; so Kentucky citizens can receive the best health care available close to their home and never need to leave the Bluegrass for complex subspecialty care.

UK’s agenda remains committed to accelerating the University’s movement toward academic excellence in all areas and gain worldwide recognition for its outstanding academic programs, its commitment to students, its investment in pioneering research and discovery, its success in building a diverse community and its engagement with the larger society. It is all part of the University’s fulfillment of our promise to Kentucky to position our state as a leader in American prosperity.

Visit the University of Kentucky Web site at http://www.uky.edu.

3.0 PROPOSAL REQUIREMENTS
3.1 **Key Event Dates**

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Release of RFP</td>
<td>07/11/18</td>
</tr>
<tr>
<td>Deadline for Written Questions</td>
<td>3 p.m. Eastern Time on 07/18/18</td>
</tr>
<tr>
<td>RFP Proposals Due</td>
<td>3 p.m. Eastern Time on 08/02/18</td>
</tr>
<tr>
<td>Offeror Presentations*</td>
<td>Week of 09/10/18</td>
</tr>
<tr>
<td>Contract Award*</td>
<td>Week of 11/05/18</td>
</tr>
</tbody>
</table>

*projected dates

3.2 **Offeror Communication**

To ensure that RFP documentation and subsequent information (modifications, clarifications, addenda, Written Questions and Answers, etc.) are directed to the appropriate persons within the offeror’s firm, each offeror who intends to participate in this RFP is to provide the following information to the purchasing officer. Prompt, thorough compliance is in the best interest of the offeror. Failure to comply may result in incomplete or delayed communication of addenda or other vital information. Contact information is the responsibility of the offeror. Without the prompt information, any communication shortfall shall reside with the offeror.

- Name of primary contact
- Mailing address of primary contact
- Telephone number of primary contact
- Fax number of primary contact
- E-mail address of primary contact
- Additional contact persons with same information provided as primary contact

This information shall be transmitted via fax or e-mail to:

John E. Deans, C.P.M.
Purchasing Division
University of Kentucky
322 Peterson Service Building
Lexington, KY 40506-0005
Phone: (859) 257-6759
Fax: (859) 257-1951
E-mail: john.deans@uky.edu

All communication with the University regarding this RFP shall only be directed to the purchasing officer listed above.

3.3 **Pre-Proposal Conference**

No Pre-Proposal conference.
3.4 Offeror Presentations

All offerors whose proposals are judged acceptable for award may be required to make a presentation to the evaluation committee.

3.5 Preparation of Offers

The offeror is expected to follow all specifications, terms, conditions and instructions in this RFP.

The offeror will furnish all information required by this solicitation.

Proposals should be prepared simply and economically, providing a description of the offeror’s capabilities to satisfy the requirements of the solicitation. Emphasis should be on completeness and clarity of content. All documentation submitted with the proposal should be bound in the single volume except as otherwise specified.

An electronic version of the RFP, in .PDF format only, is available through the University of Kentucky Purchasing Division web site: www.uky.edu/purchasing/bidlist.htm

3.6 Proposed Deviations from the RFP

The stated requirements appearing elsewhere in this RFP shall become a part of the terms and conditions of any resulting contract. Any deviations therefrom must be specifically defined in accordance with the transmittal letter, Section 4.3 (d). If accepted by the University, the deviations shall become part of the contract, but such deviations must not be in conflict with the basic nature of this RFP.

Note: Offerors shall not submit their standard terms and conditions as exceptions to the University’s General Terms and Conditions. Each exception to the University’s General Terms and Conditions shall be individually addressed.

3.7 Proposal Submission and Deadline

Offeror must provide the following materials prior to 3 p.m. (Lexington, KY time) on the date specified in Section 3.1 and addressed to the purchasing officer listed in Section 3.2:

- **Technical Proposal:** Three (3) copy on an electronic storage device (CD or USB) clearly marked with the proposal number and name, firm name and what is included (Technical Proposal) and three (3) printed copies in a single package, separate from the Financial Proposal.

- **Financial Proposal:** Three (3) copy on an electronic storage device (CD or USB) clearly marked with the proposal number and name, firm name and what is included (Financial Proposal) and three (3) printed copies in a single package, separate from the Technical Proposal.

Note: Proposals received after the closing date and time will not be considered. In addition, proposals received via fax or e-mail are not acceptable.
The University of Kentucky accepts deliveries of RFPs Monday through Friday from 8 a.m. to 5 p.m. Lexington, KY time. However, RFPs must be received by 3 p.m. Lexington, KY time on the date specified on the RFP in order to be considered.

Proposals shall be enclosed in sealed envelopes to the above referenced address and shall show on the face of the envelope: the closing time and date specified, the solicitation number and the name and address of the offeror. The technical proposal shall be submitted in a sealed envelope and the financial proposal shall be submitted in a sealed envelope under separate cover. Both sealed envelopes shall have identical information on the cover, with the addition that one will state “Technical Information,” and the other, “Financial Proposal.”

Note: In accordance with the Kentucky Revised Statute 45A.085, there will be no public opening.

3.8 Modification or Withdrawal of Offer

An offer and/or modification of offer received at the office designated in the solicitation after the exact hour and date specified for receipt will not be considered.

An offer may be modified or withdrawn by written notice before the exact hour and date specified for receipt of offers. An offer also may be withdrawn in person by an offeror or an authorized representative, provided the identity of the person is made known and the person signs a receipt for the offer, but only if the withdrawal is made prior to the exact hour and date set for receipt of offers.

3.9 Acceptance or Rejection and Award of Proposal

The University reserves the right to accept or reject any or all proposals (or parts of proposals), to waive any informalities or technicalities, to clarify any ambiguities in proposals and (unless otherwise specified) to accept any item in the proposal. In case of error in extension or prices or other errors in calculation, the unit price shall govern. Further, the University reserves the right to make a single award, split awards, multiple awards or no award, whichever is in the best interest of the University.

3.10 Rejection

Grounds for the rejection of proposals include (but shall not be limited to):

- Failure of a proposal to conform to the essential requirements of the RFP.
- Imposition of conditions that would significantly modify the terms and conditions of the solicitation or limit the offeror’s liability to the University on the contract awarded on the basis of such solicitation.
- Failure of the offeror to sign the University RFP. This includes the Authentication of Proposal and Statement of Non-Collusion and Non-Conflict of Interest statements.
- Receipt of proposal after the closing date and time specified in the RFP.
3.11 **Addenda**

Any addenda or instructions issued by the purchasing agency prior to the time for receiving proposals shall become a part of this RFP. Such addenda shall be acknowledged in the proposal. No instructions or changes shall be binding unless documented by a proper and duly issued addendum.

3.12 **Disclosure of Offeror’s Response**

The RFP specifies the format, required information and general content of proposals submitted in response to this RFP. The purchasing agency will not disclose any portions of the proposals prior to contract award to anyone outside the Purchasing Division, the University’s administrative staff, representatives of the state or federal government (if required) and the members of the committee evaluating the proposals. After a contract is awarded in whole or in part, the University shall have the right to duplicate, use or disclose all proposal data submitted by offerors in response to this RFP as a matter of public record.

Any submitted proposal shall remain valid six (6) months after the proposal due date.

The University shall have the right to use all system ideas, or adaptations of those ideas, contained in any proposal received in response to this RFP. Selection or rejection of the proposal will not affect this right.

3.13 **Restrictions on Communications with University Staff**

From the issue date of this RFP until a contractor is selected and a contract award is made, offerors are not allowed to communicate about the subject of the RFP with any University administrator, faculty, staff or members of the board of trustees except: the purchasing office representative, any University purchasing official representing the University administration, others authorized in writing by the purchasing office and University representatives during offeror presentations. If violation of this provision occurs, the University reserves the right to reject the offeror’s proposal.

3.14 **Cost of Preparing Proposal**

Costs for developing the proposals and any subsequent activities prior to contract award are solely the responsibility of the offerors. The University will provide no reimbursement for such costs.

3.15 **Disposition of Proposals**

All proposals become the property of the University. The successful proposal will be incorporated into the resulting contract by reference.

3.16 **Alternate Proposals**
Offerors may submit alternate proposals. If more than one proposal is submitted, all must be complete (separate) and comply with the instructions set forth within this document. Each proposal will be evaluated on its own merits.

3.17 Questions

All questions should be submitted by either fax or e-mail to the purchasing officer listed in Section 3.2 no later than the date listed in Section 3.1.

3.18 Section Titles in the RFP

Section titles used herein are for the purpose of facilitating ease of reference only and shall not be construed to infer the construction of contractual language.

3.19 No Contingent Fees

No person or selling agency shall be employed or retained or given anything of monetary value to solicit or secure this contract, except bona fide employees of the offeror or bona fide established commercial or selling agencies maintained by the offeror for the purpose of securing business. For breach or violation of this provision, the University shall have the right to reject the proposal, annul the contract without liability, or, at its discretion, deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee or other benefit.

3.20 Proposal Addenda and Rules for Withdrawal

Prior to the date specified for receipt of offers, a submitted proposal may be withdrawn by submitting a written request for its withdrawal to the University purchasing office, signed by the offeror. Unless requested by the University, the University will not accept revisions or alterations to proposals after the proposal due date.
4.0 PROPOSAL FORMAT AND CONTENT

4.1 Proposal Information and Criteria

The following list specifies the items to be addressed in the proposal. Offerors should read it carefully and address it completely and in the order listed to facilitate the University’s review of the proposal.

Proposals shall be organized into the sections identified below. The content of each section is detailed in the following pages. It is strongly suggested that offerors use the same numbers for the following content that are used in the RFP.

- Signed Authentication of Proposal and Statement of Non-Collusion and Non-Conflict of Interest Form
- Transmittal Letter
- Executive Summary and Proposal Overview
- Criteria 1 - Offeror Qualifications
- Criteria 2 - Services Defined
- Criteria 3 - Financial Proposal
- Criteria 4 - Evidence of Successful Performance and Implementation Schedule
- Criteria 5 - Other Additional Information

4.2 Signed Authentication of Proposal and Statements of Non-Collusion and Non-Conflict of Interest Form

The Offeror will sign and return the proposal cover sheet and print or type their name, firm, address, telephone number and date. The person signing the offer must initial erasures or other changes. An offer signed by an agent is to be accompanied by evidence of their authority unless such evidence has been previously furnished to the purchasing agency. The signer shall further certify that the proposal is made without collusion with any other person, persons, company or parties submitting a proposal; that it is in all respects fair and in good faith without collusion or fraud; and that the signer is authorized to bind the principal offeror.

4.3 Transmittal Letter

The Transmittal Letter accompanying the RFP shall be in the form of a standard business letter and shall be signed by an individual authorized to legally bind the offeror. It shall include:

- A statement referencing all addenda and written questions, the answers and any clarifications to this RFP issued by the University and received by the offeror (If no addenda have been received, a statement to that effect should be included.).

- A statement that the offeror’s proposal shall remain valid for six (6) months after the closing date of the receipt of the proposals.

- A statement that the offeror will accept financial responsibility for all travel expenses incurred for oral presentations (if required) and candidate interviews.
• A statement that summarizes any deviations or exceptions to the RFP requirements and includes a detailed justification for the deviation or exception.

• A statement that identifies the confidential information as described in Section 6.23.

4.4 Executive Summary and Proposal Overview

The Executive Summary and Proposal Overview shall condense and highlight the contents of the technical proposal in such a way as to provide the evaluation committee with a broad understanding of the entire proposal.

4.5 Criteria 1 - Offeror Qualifications

Vendor Operations: General Capabilities and Experiences

1. When was your recordkeeping system first implemented? When was the last major system upgrade and what was the nature of the enhancements?

2. Are you planning to go through any system conversions or major changes/enhancements now or in the next three years? If so, describe and provide the schedule.

3. Describe your errors and omissions coverage. Describe the various types of insurance coverage and indemnification provided to protect clients, including for each insurance type: risks covered, carriers, levels, limits, and deductibles.

4. Describe your cyber liability coverage. Have you ever had a data breach? Please describe your process for managing risk and ensuring the security of participant data.

5. Please provide your experience working with higher education clients across the country. How do you service these clients differently from other non-profits? Please indicate the number of higher education institutions you currently provide recordkeeping and administrative services broken down by public and private.

6. Please disclose any conflicts of interest, and the basis for any perceived conflicts of interest, between your firm and University of Kentucky’s Board of Trustees.

7. Please confirm your ability to comply with the general conditions and insurance requirements as described in the above sections, respectively.

Vendor Operations: Servicing Team, Conversion and Transition Support

8. Describe the service team that would be assigned to UK’s Plans including the names, titles and brief bios for each of the following team members. Provide the tenure, number of clients and number of plans for each.

- Client Relationship Manager
- Transition / Implementation Manager
• Day-to-day Account Executive
• Communications Specialist
• Compliance Specialist
• Field education representative(s)

9. Provide a draft conversion plan, including target dates for the appropriate milestones. As it stands, University of Kentucky anticipates a 4-5 month transition period to begin around September 2018, concluding with a transfer of assets on or around January 1, 2019. Describe whether this time frame is acceptable to accommodate this transition as well as your experiences with similar projects for similar sized clients. Please confirm you have or will establish Information Sharing Agreements with legacy vendors.

10. Identify comparable plan conversions in which you have been involved. How many conversions and implementations has your company conducted during the past three years involving approximately 20,000 or more participants? What are the risks you foresee in a transition and how can these be mitigated with additional time and/or preparation?

11. List the roles and responsibilities of the conversion team. Identify the assigned members by name if they have not been identified. Identify any team members who will be 100% dedicated to the conversion.

12. Describe how you would propose to communicate the implementation to participants. What communication strategies have you used to onboard clients similar to UK? What methods of communication have worked well and where have you seen issues arise?

13. Describe your experience with accepting and recordkeeping historical data (annual participant balances, rates of return, etc.) from former recordkeepers on your system. Describe the level of historical data you typically retain from a former recordkeeper during a transition and how this data is archived. In the event UK requires access to historical data for QDRO, audit and participant inquiries, please indicate your ability to provide support either as an incumbent vendor or as a new recordkeeper to the Plans.

14. How frequently do you conduct client satisfaction surveys of your clients (plan sponsor level)?

Product Information

The University of Kentucky will continue to offer a diversified investment array containing mutual funds and/or annuity funds. A wide variety of investment options including target date funds or pre-selected portfolios based on age and risk tolerance should be available on the offeror's recordkeeping platform. Although this RFP requests information relating to fixed and/or stable value products, the University's Retirement Committee is ultimately responsible for the selection of investment options to be offered to participants. Please note, offerors will be requested to provide pricing quotes for services assuming there are no proprietary funds included the array.

15. Please provide the following information about your fixed account / stable value fund:

• Do you offer a fixed account / stable value investment account? If not, what will you offer in lieu of such an account?

Product Information: General Accounts
16. Can you offer a product that is part of your company’s General Account?

- Is there a contractually guaranteed minimum interest rate for this account? If so, what is that guaranteed minimum interest rate?
- Will this minimum rate be guaranteed for the life of the contract? If not, what is the guarantee period?
- What is the current interest rate on new deposits?
- When does the current interest rate mature?
- When is a new interest rate established?
- What were the historic interest rates / annual returns on this account over each of the last five years?
- What are the provisions / restrictions for participants to transfer assets from this account to other investment options within your fund lineup?
- What are the provisions / restrictions for participants to withdraw assets from this account, either for distribution or to transfer to another provider?
- What are the provisions / restrictions for plan sponsor to transfer assets from this account to an alternate provider at contract discontinuance?
- What are your company’s current financial strength ratings from AM Best, Fitch, Moody’s and S&P?

Product Information: Separate Accounts

17. Can you offer a product that is part of a Separate Account?

- Is there a contractually guaranteed minimum interest rate for this account? If so, what is that guaranteed minimum interest rate?
- Will this minimum rate be guaranteed for the life of the contract? If not, what is the guarantee period?
- What is the current interest rate on new deposits?
- When does the current interest rate mature?
- When is a new interest rate established?
- What happens to the guarantee of current interest and / or guarantee of minimum interest for those assets if your company becomes insolvent?
- What were the historic interest rates / annual returns on this account over each of the last five years?
- What are the provisions / restrictions for participants to transfer assets from this account to other investment options within your fund lineup?
- What are the provisions / restrictions for participants to withdraw assets from this account, either for distribution or to transfer to another provider?
- What are the provisions / restrictions for plan sponsor to transfer assets from this account to an alternate provider at contract discontinuance?

Investment Platform And Services

18. Do you offer a recordkeeping platform that allows for complete open architecture? What, if any, limitations do you have to offering any mutual funds.

19. Do you have any proprietary fund requirements for this proposal? If so, please describe which proprietary funds must be included in the fund lineup?
20. Does your company offer a Managed Account option? Please describe the product, including whether it employs proprietary software and the extent to which it is a Registered Investment Advisory program. What is the fee for using this program?

21. Does the Managed Account program meet the requirements to be considered a “qualified default investment alternative” (“QDIA”) under Pension Protection Act of 2006 and DOL guidelines?

22. Does your company offer investment advice tailored to each individual participant using the Managed Account service? Please describe the product, including whether it employs proprietary software and the extent to which it is a Registered Investment Advisory program. What is the fee for using this program?

Participant Experience

23. Will you have designated employees who consistently conduct the education for UK participants? Will your firm’s personnel schedule all onsite education days and will participants be able to sign up online?

24. How many days of education will you provide as part of the implementation of the plans? Will this be a combination of group and one-on-one meetings? If UK needs additional education days, will you be able to accommodate?

25. UK expects that the selected record keepers(s) will provide approximately 100 days of onsite one-on-one education meetings per year, as needed. Please confirm your commitment to accommodating this schedule. Please also describe the qualifications of your education representatives and confirm that they will be salaried and will not cross-sell products or services.

26. In addition to annual onsite education, UK expect the winning vendor(s) to provide 25 onsite days for the transition. Please confirm your commitment.

27. Can you provide onsite education to accommodate those employees who work evening and night shifts? Is there an additional charge for such accommodation?

28. Describe your standard communication campaigns to participants. Can these be customized with UK branding with no provider branding included?

29. Do you have the ability to customize general communications (RMDs, small balance cash outs, etc.) to suit the needs of a higher education organization rather than the needs of a corporate 401(k) plan?

30. Can you provide targeted communications to different groups of employees (e.g. participants over age 50, non-participants) with different messages? How do you track the effectiveness of the targeted communications? Are there any fees for these services?

31. Can you produce and distribute personalized retirement account balance projections to all employees, based on age, salary, current account value, asset allocation, etc.? Assuming you are providing outsourcing services, would the plan sponsor need to provide a separate census report? Are there any fees for this service (e.g. mailing costs)?
32. Does your company offer investment advice to plan participants? If so, how is this advice communicated (onsite meetings, call center, website, mailed report, etc.)? What is the fee for this service? Is this a separate service from your Managed Account?

33. What is your fiduciary role in providing investment advice to participants (if offered)?

34. Can participants create on-demand, personalized statements via the website? Over what maximum time-period can a participant create a personalized statement?

35. Is a participant’s individual historic rate of investment return provided on his/her account statement? Are alternate investment/return models provided on the statement to encourage proper diversification?

36. Does your website use “scraping” technology whereby data from other financial institutions can be integrated by providing password information for other providers?

37. Describe any other tools and services available to members through your website such as calculators, financial modeling tools, etc.

38. Will you provide a custom micro-site/website dedicated to the University of Kentucky? Describe the vision behind your web design as well as the attributes of the site that may be customized for the program, such as layout, colors/images, and materials. Confirm the site will not require a log-in from participants and whether you offer a custom URL?

39. Do you have a mobile app that would allow participants to access their accounts easily through their mobile devices?

40. Please provide samples of the following materials:
   - Participant statement
   - Enrollment kit
   - Termination kit
   - Quarterly employer reports
   - Any customized communication described in item three above

**Administration and Recordkeeping**

41. Does your organization offer a service a common remitter/centralized data monitoring service for plans with multiple record keepers? If so, please describe this service in detail including the experience this tool provides for both the participant and the plan sponsor. Please also indicate what administrative items can be outsourced using this service.

42. As part of your suite of outsourcing services, can you provide the following administrative services for the plan sponsor? Are there additional fees for either service?
   - Determine eligibility for employer contribution (e.g. properly exclude ineligible classes of employees and administer plan service requirements and entry dates)
   - Calculate employer contribution based on that eligibility (please note with what frequency this service can be provided)
43. What information is required by the plan sponsor in order to take advantage of the full range of your outsourcing services?

44. Describe your process upon participant termination. Do you provide termination kits to explain possible options to the participants? Will you provide a termination kit for participants in each plan? Are you also able to monitor a participant’s election to defer his/her distribution to a future date? Please describe.

45. Do you provide automatic cash out/rollover of small account balances as defined in the plan document upon receipt of a termination date from UK? Explain how your procedure ensures efficient elimination of small account balances, and the extent to which the employer is involved in this process.

46. How are spousal consent requirements, if applicable, addressed via website and toll-free service line processing of beneficiary designations, loans, withdrawals, etc.? What involvement of the plan sponsor is required for approvals? Can this be outsourced?

47. Will you accept and store participant beneficiary designations via online data entry or do you require a paper form? In the event of a transition are you able to input beneficiaries into your system from the existing recordkeepers? How do you ensure that missing beneficiaries are kept to a minimum?

48. What are the different frequencies over which investments can be rebalanced automatically through your website/toll-free service line (Annually, Quarterly, etc.)? Is the frequency selected by the participant or the plan sponsor?

49. Do you provide a service performance guarantee agreement? If yes, please attach a sample agreement, which indicates what are the standards and how the performance guarantees are determined. In addition, include specifics of the penalties (i.e., monetary guarantees) for performance failures.

50. Does your firm conduct regular participant death searches? Please describe your process, how you communicate with UK and whether you contact beneficiaries after receiving notification of a death.

51. Please describe your process for forwarding mail and/or updating bad addresses to ensure participants do not become ‘lost.’

52. Please describe your process upon receiving a request from a participant to transfer his/her account balance to another active recordkeeper? How are assets transferred - via wire or via check? How is data transferred between the active recordkeepers - via mail or electronically? How long do you anticipate this process takes from receipt of request to funding of the new account with the other recordkeeper?

53. Can your recordkeeping system prevent investment elections that the plan sponsor would deem imprudent (e.g., permitting an employee to split his/her investment allocation between a lifecycle/lifestyle fund and other investments in the array)?

54. Please describe your process to assist plan sponsors who wish to equalize fees paid via fund revenue sharing. Does your system have the ability to handle the following:
• Add an asset-based fee to a fund in the event the investment does not share enough revenue to cover administrative costs?
• Credit a participant’s account in the event a fund shares revenue in excess of the amount needed to cover administrative costs?
• A per head charge with any revenue share being returned to participants?
• How frequently does this process occur? On a daily, monthly or quarterly basis?

55. What options are available for loan repayments for active participants (e.g. payroll deduction, direct payment, ACH)? For terminated participants?

56. Describe your customer service staffing plan to deal with peak volume, such as after the issuance of statements or a plan change. Describe the process to determine if you have sufficient lines to handle call volume. How frequently is this checked?

57. When a Phone Service Representative speaks to a participant, can the representative see other transactions performed earlier by the participant that same day via Voice Response System or Internet?

58. Please fully describe your involvement in any possible future changes and/or enhancements to plan design, systems, integration and payroll file formats, etc. What are the roles and responsibilities of the assigned servicing teams? Are these services part of your standard support service or would these be separate billable activities?

Compliance

59. How do you best ensure loans and hardships are fully compliant? Describe how you anticipate working with the frozen recordkeeper(s) and how successful you have been in assisting other clients with similar situations. Specifically, address how you would look to handle loan repayments (from legacy loans) to frozen recordkeeper(s). What information is available to the plan sponsor through a report, or your website?

60. Please describe your Required Minimum Distribution (RMD) process. Do you automatically distribute the minimum required amount if the participant does not respond to your notifications?

61. What are your capabilities for monitoring RMDs for terminated employees who live outside the U.S.?

62. As part of your full suite of outsourcing services, do you distribute legally required disclosure documents, such as fee disclosures, QDIA notices, SMMs, SPDs and SARs, within the required timeframes to all plan participants (including eligible employees without an account balance) and beneficiaries? Are there any additional fees for this service?

63. Do you provide annual fee disclosure notices (404(a)(5) or similar to participants, including investments from legacy vendors? Describe the plan sponsor’s involvement in this process and the distribution (via email/mail) methods you expect to use and any additional costs.
64. Please describe your process when a fund is added or removed from the fund line up. Will you send notices to active, terminated and retired employees? What education and communication resources will you provide?

65. How often do you recommend testing the Plan for compliance with non-discrimination requirements? Do you require the plan sponsor to prepare a separate year-end census report to complete nondiscrimination/compliance testing, or is the testing performed using the ongoing full census data that is exchanged when outsourcing is in place/through the data centralizing system?

66. Which of the following tests are included in your regular services for no additional fees? (Please list any additional fees that would apply to any of the following tests.)

- 402(g) Elective Deferral Limits
- 415(c) Contribution Limits
- 401(a)(17) Compensation Limit
- 414(v) Catch-up Determination
- ACP / ADP
- 410(b) Coverage
- 401(a)(4) General Test
- 401(a)(4) Rights, Benefits and Features
- 414(s) Compensation Test
- Controlled Group
- 416(c) Top Heavy

67. Do you provide signature-ready 5500s? Do you provide this when there are outside providers included in the 5500 filing? Are there any additional fees for this service under either scenario?

4.6 Criteria 2 – Services Defined

The University of Kentucky seeks prospective providers with a variety of capabilities and services to offer to its Plan participants. In the Section 7.1 Detailed Services Defined, there is a list of some specific capabilities that will be considered in the evaluation, along with the other services included in the questionnaire. Please review this section carefully. If your company is unable to deliver any of the Service Capabilities, please provide a detailed explanation in your response. By responding to this RFP without any accompanying explanations, you are representing that you will provide all services listed in the Service Capabilities section, without exception. Any inability to provide the specific Service Capabilities will be noted in the analysis and will be evaluated in the context of the priorities outlined in this document, along with the rest of the responses in the proposal.

4.7 Criteria 3 – Financial Proposal

The Financial Summary Form shall contain the complete financial offer made to the University using the format contained in Section 8.0. All financial information must be submitted in a sealed envelope under separate cover.

4.8 Criteria 4 – Evidence of Successful Performance and Implementation Schedule
Please provide your implementation schedule with a November 1, 2018 contract award.

4.9 **Criteria 5 – Other Additional Information (References)**

Please provide the names and contact information for three current and three former clients whom we may contact as references. Please use references from employers as similar as possible in size and scope to the University of Kentucky.
5.0 EVALUATION CRITERIA PROCESS

A committee of University officials appointed by the Director of Purchasing will evaluate proposals and make a recommendation to the Director of Purchasing. The evaluation will be based upon the information provided in the proposal, additional information requested by the University for clarification, information obtained from references and independent sources and oral presentations (if requested).

The evaluation of responsive proposals shall then be completed by an evaluation team, which will determine the ranking of proposals. Proposals will be evaluated strictly in accordance with the requirements set forth in this solicitation, including any addenda that are issued. The University will award the contract to the responsible offeror whose proposal is determined to be the most advantageous to the University, taking into consideration the evaluation factors set forth in this RFP.

The evaluation of proposals will include consideration of responses to the list of criteria in Section 4.0. Offerors must specifically address all criteria in their response. Any deviations or exceptions to the specifications or requirements must be described and justified in a transmittal letter. Failure to list such exceptions or deviations in the transmittal letter may be considered sufficient reason to reject the proposal.

The relative importance of the criteria is defined below:

**Primary Criteria**

- Offeror Qualifications
- Services Defined
- Financial Proposal
- Evidence of Successful Performance and Implementation

**Secondary Criteria**

- Other Additional Services

The University will evaluate proposals as submitted and may not notify offerors of deficiencies in their responses.

Proposals must contain responses to each of the criteria, listed in Section 4 even if the offeror’s response cannot satisfy those criteria. A proposal may be rejected if it is conditional or incomplete in the judgment of the University.
6.0 SPECIAL CONDITIONS

6.1 Contract Term

The contract resulting from this RFP shall be effective March 1, 2019 to February 28, 2022, and is renewable for up to two additional one-year renewal periods. Annual renewal shall be contingent upon the University’s satisfaction with the services performed.

6.2 Effective Date

The effective date of the contract shall be the date upon which the parties execute it and all appropriate approvals, including that of the Commonwealth of Kentucky Government Contracts Review Committee, have been received.

6.3 Competitive Negotiation

It is the intent of the RFP to enter into competitive negotiation as authorized by KRS 45A.085.

The University will review all proposals properly submitted. However, the University reserves the right to request necessary modifications, reject all proposals, reject any proposal that does not meet mandatory requirement(s) or cancel this RFP, according to the best interests of the University.

Offeror(s) selected to participate in negotiations may be given an opportunity to submit a Best and Final Offer to the purchasing agency. All information received prior to the cut-off time will be considered part of the offeror's Best and Final Offer.

The University also reserves the right to waive minor technicalities or irregularities in proposals providing such action is in the best interest of the University. Such waiver shall in no way modify the RFP requirements or excuse the offeror from full compliance with the RFP specifications and other contract requirements if the offeror is awarded the contract.

6.4 Appearance Before Committee

Any, all or no offerors may be requested to appear before the evaluation committee to explain their proposal and/or to respond to questions from the committee concerning the proposal. Offerors are prohibited from electronically recording these meetings. The committee reserves the right to request additional information.

6.5 Additions, Deletions or Contract Changes

The University reserves the right to add, delete, or change related items or services to the contract established from this RFP. No modification or change of any provision in the resulting contract shall be made unless such modification is mutually agreed to in writing by the contractor and the Director of Purchasing and incorporated as a written modification to the contract. Memoranda of understanding and correspondence shall not be interpreted as a modification to the contract.
**6.6 Contractor Cooperation in Related Efforts**

The University reserves the right to undertake or award other contracts for additional or related work to other entities. The contractor shall fully cooperate with such other contractors and University employees and carefully fit its work to such additional work. The contractor shall not commit or permit any act which will interfere with the performance of work by any other contractor or by University employees. This clause shall be included in the contracts of all contractors with whom this contractor will be required to cooperate. The University shall equitably enforce this clause to all contractors to prevent the imposition of unreasonable burdens on any contractor.

**6.7 Entire Agreement**

The RFP shall be incorporated into any resulting contract. The resulting contract, including the RFP and those portions of the offeror’s response accepted by the University, shall be the entire agreement between the parties.

**6.8 Governing Law**

The contractor shall conform to and observe all laws, ordinances, rules and regulations of the United States of America, Commonwealth of Kentucky and all other local governments, public authorities, boards or offices relating to the property or the improvements upon same (or the use thereof) and will not permit the same to be used for any illegal or immoral purposes, business or occupation. The resulting contract shall be governed by Kentucky law and any claim relating to this contract shall only be brought in the Franklin Circuit Court in accordance with KRS 45A.245.

**6.9 Kentucky’s Personal Information Security and Breach Investigation Procedures and Practices Act**

To the extent Company receives Personal Information as defined by and in accordance with Kentucky’s Personal Information Security and Breach Investigation Procedures and Practices Act, KRS 61.931, 61.932 and 61.933 (the “Act”), Company shall secure and protect the Personal Information by, without limitation: (i) complying with all requirements applicable to non-affiliated third parties set forth in the Act; (ii) utilizing security and breach investigation procedures that are appropriate to the nature of the Personal Information disclosed, at least as stringent as University’s and reasonably designed to protect the Personal Information from unauthorized access, use, modification, disclosure, manipulation, or destruction; (iii) notifying University of a security breach relating to Personal Information in the possession of Company or its agents or subcontractors within seventy-two (72) hours of discovery of an actual or suspected breach unless the exception set forth in KRS 61.932(2)(b)2 applies and Company abides by the requirements set forth in that exception; (iv) cooperating with University in complying with the response, mitigation, correction, investigation, and notification requirements of the Act, (v) paying all costs of notification, investigation and mitigation in the event of a security breach of Personal Information suffered by Company; and (vi) at University’s discretion and direction, handling all administrative functions associated with notification, investigation and mitigation.
6.10 Termination for Convenience

The University of Kentucky, Purchasing Division, reserves the right to terminate the resulting contract without cause with a thirty (30) day written notice. Upon receipt by the contractor of a “notice of termination,” the contractor shall discontinue all services with respect to the applicable contract. The cost of any agreed upon services provided by the contractor will be calculated at the agreed upon rate prior to a “notice of termination” and a fixed fee contract will be pro-rated (as appropriate).

6.11 Termination for Non-Performance

Default

The University may terminate the resulting contract for non-performance, as determined by the University, for such causes as:

- Failing to provide satisfactory quality of service, including, failure to maintain adequate personnel, whether arising from labor disputes, or otherwise any substantial change in ownership or proprietorship of the Contractor, which in the opinion of the University is not in its best interest, or failure to comply with the terms of this contract;

- Failing to keep or perform, within the time period set forth herein, or violation of, any of the covenants, conditions, provisions or agreements herein contained;

- Adjudicating as a voluntarily bankrupt, making a transfer in fraud of its creditors, filing a petition under any section from time to time, or under any similar law or statute of the United States or any state thereof, or if an order for relief shall be entered against the Contractor in any proceeding filed by or against contractor thereunder. In the event of any such involuntary bankruptcy proceeding being instituted against the Contractor, the fact of such an involuntary petition being filed shall not be considered an event of default until sixty (60) days after filing of said petition in order that Contractor might during that sixty (60) day period have the opportunity to seek dismissal of the involuntary petition or otherwise cure said potential default; or

- Making a general assignment for the benefit of its creditors, or taking the benefit of any insolvency act, or if a permanent receiver or trustee in bankruptcy shall be appointed for the Contractor.

Demand for Assurances

In the event the University has reason to believe Contractor will be unable to perform under the Contract, it may make a demand for reasonable assurances that Contractor will be able to timely perform all obligations under the Contract. If Contractor is unable to provide such adequate assurances, then such failure shall be an event of default and grounds for termination of the Contract.

Notification

The University will provide ten (10) calendar days written notice of default. Unless arrangements are made to correct the non-performance issues to the University's satisfaction within ten (10)
calendar days, the University may terminate the contract by giving forty-five (45) days notice, by registered or certified mail, of its intent to cancel this contract.

6.12 Funding Out

The University may terminate this contract if funds are not appropriated or are not otherwise available for the purpose of making payments without incurring any obligation for payment after the date of termination, regardless of the terms of the contract. The University shall provide the contractor thirty (30) calendar days' written notice of termination under this provision.

6.13 Prime Contractor Responsibility

Any contracts that may result from the RFP shall specify that the contractor(s) is/are solely responsible for fulfillment of the contract with the University.

6.14 Assignment and Subcontracting

The Contractor(s) may not assign or delegate its rights and obligations under any contract in whole or in part without the prior written consent of the University. Any attempted assignment or subcontracting shall be void.

6.15 Permits, Licenses, Taxes

The contractor shall procure all necessary permits and licenses and abide by all applicable laws, regulations and ordinances of all federal, state and local governments in which work under this contract is performed.

The contractor must furnish certification of authority to conduct business in the Commonwealth of Kentucky as a condition of contract award. Such registration is obtained from the Secretary of State, who will also provide the certification thereof. However, the contractor need not be registered as a prerequisite for responding to the RFP.

The contractor shall pay any sales, use, personal property and other tax arising out of this contract and the transaction contemplated hereby. Any other taxes levied upon this contract, the transaction or the equipment or services delivered pursuant hereto shall be the responsibility of the contractor.

The contractor will be required to accept liability for payment of all payroll taxes or deductions required by local and federal law including (but not limited to) old age pension, social security or annuities.

6.16 Attorneys’ Fees

In the event that either party deems it necessary to take legal action to enforce any provision of the contract and in the event that the University prevails, the contractor agrees to pay all expenses of such action including attorneys' fees and costs at all stages of litigation.
6.17 **Royalties, Patents, Copyrights and Trademarks**

The Contractor shall pay all applicable royalties and license fees. If a particular process, products or device is specified in the contract documents and it is known to be subject to patent rights or copyrights, the existence of such rights shall be disclosed in the contract documents and the Contractor is responsible for payment of all associated royalties. To the fullest extent permitted by law the Contractor shall indemnify, hold the University harmless, and defend all suits, claims, losses, damages or liability resulting from any infringement of patent, copyright, and trademark rights resulting from the incorporation in the Work or device specified in the Contract Documents.

Unless provided otherwise in the contract, the Contractor shall not use the University’s name nor any of its trademarks or copyrights, although it may state that it has a Contract with the University.

6.18 **Indemnification**

The contractor shall indemnify, hold and save harmless the University, its affiliates and subsidiaries and their officers, agents and employees from losses, claims, suits, actions, expenses, damages, costs (including court costs and attorneys’ fees of the University’s attorneys), all liability of any nature or kind arising out of or relating to the Contractor’s response to this RFP or its performance or failure to perform under the contract awarded from this RFP. This clause shall survive termination for as long as necessary to protect the University.

6.19 **Insurance**

The successful Contractor shall procure and maintain, at its expense, the following minimum insurance coverages insuring all services, work activities and contractual obligations undertaken in this contract. These insurance policies must be with insurers acceptable to the University.

<table>
<thead>
<tr>
<th>COVERAGES</th>
<th>LIMITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workers’ Compensation</td>
<td>Statutory Requirements (Kentucky)</td>
</tr>
<tr>
<td>Employer’s Liability</td>
<td>$500,000/$500,000/$500,000</td>
</tr>
<tr>
<td>Commercial General Liability including</td>
<td>$3,000,000 each occurrence</td>
</tr>
<tr>
<td>operations/completed operations, products</td>
<td>(BI &amp; PD combined) $2,000,000 Products</td>
</tr>
<tr>
<td>and contractual liability (including defense and investigation costs), and this contract</td>
<td>and Completed Operations Aggregate</td>
</tr>
<tr>
<td>Business Automobile Liability covering owned, leased, or non-owned autos</td>
<td>$1,000,000 each occurrence (BI &amp; PD combined)</td>
</tr>
<tr>
<td>Cyber liability and Breach Response</td>
<td>$10,000,000</td>
</tr>
<tr>
<td>Commercial Crime</td>
<td>$10,000,000</td>
</tr>
<tr>
<td>Investment Advisor/Manager Errors &amp; Omissions</td>
<td>$25,000,000</td>
</tr>
</tbody>
</table>

The successful contractor agrees to furnish Certificates of Insurance for the above described coverages and limits to the University of Kentucky, Purchasing Division. The University, its trustees and employees must be added as additional insured on the Commercial General Liability policy with regard to the scope of this solicitation. Any deductibles or self-insured retention in the above-described policies must be paid and are the sole responsibility of the contractor. Coverage is to be primary and non-contributory with other coverage (if any) purchased by the University. All of these required policies must include a Waiver of Subrogation (except Workers’ Compensation) in favor of the University, its trustees and employees.
6.20 **Method of Award**

It is the intent of the University to award a contract to the qualified offeror whose offer, conforming to the conditions and requirements of the RFP, is determined to be the most advantageous to the University, cost and other factors considered.

Notwithstanding the above, this RFP does not commit the University to award a contract from this solicitation. The University reserves the right to reject any or all offers and to waive formalities and minor irregularities in the proposal received.

6.21 **Reciprocal Preference**

In accordance with KRS 45A.494, a resident offeror of the Commonwealth of Kentucky shall be given a preference against a nonresident offeror. In evaluating proposals, the University will apply a reciprocal preference against an offeror submitting a proposal from a state that grants residency preference equal to the preference given by the state of the nonresident offeror. Residency and non-residency shall be defined in accordance with KRS 45A.494(2) and 45A.494(3), respectively. Any offeror claiming Kentucky residency status shall submit with its proposal a notarized affidavit affirming that it meets the criteria as set forth in the above reference statute.

6.22 **Reports and Auditing**

The University, or its duly authorized representatives, shall have access to any books, documents, papers, records or other evidence which are directly pertinent to this contract for the purpose of financial audit or program review.

6.23 **Confidentiality**

The University recognizes an offeror’s possible interest in preserving selected information and data included in the proposal; however, the University must treat such information and data as required by the Kentucky Open Records Act, KRS 61.870, et seq.

Information areas which normally might be considered proprietary, and therefore confidential, shall be limited to individual personnel data, customer references, formulae and company financial audits which, if disclosed, would permit an unfair advantage to competitors. If a proposal contains information in these areas and the offeror declares them to be proprietary in nature and not available for public disclosure, the offeror shall declare in the Transmittal Letter the inclusion of proprietary information and shall noticeably label as confidential or proprietary each sheet containing such information. Proposals containing information declared by the offeror to be proprietary or confidential, either wholly or in part, outside the areas listed above may be deemed non-responsive and may be rejected.

The University’s General Counsel shall review each offeror’s information claimed to be confidential and, in consultation with the offeror (if needed), make a final determination as to whether or not the
confidential or proprietary nature of the information or data complies with the Kentucky Open Records Act.

6.24 **Conflict of Interest**

This Request for Proposal and resulting Contract are subject to provisions of the Kentucky Revised Statutes regarding conflict of interest and the University of Kentucky’s Ethical Principles and Code of Conduct (www.uky.edu/Legal/ethicscode.htm). When submitting and signing a proposal, an offeror is certifying that no actual, apparent or potential conflict of interest exists between the interests of the University and the interests of the offeror. A conflict of interest (whether contractual, financial, organizational or otherwise) exists when any individual, contractor or subcontractor has a direct or indirect interest because of a financial or pecuniary interest, gift or other activities or relationships with other persons (including business, familial or household relationships) and is thus unable to render or is impeded from rendering impartial assistance or advice, has impaired objectivity in performing the proposed work or has an unfair competitive advantage.

Questions concerning this section or interpretation of this section should be directed to the University purchasing officer identified in this RFP.

6.25 **Extending Contract**

The offeror’s response to this RFP must state whether or not the offeror will permit the use of this contract by other Universities, state agencies, public and private institutions in the Commonwealth of Kentucky. An answer to this issue must be submitted within the response.

6.26 **Personal Service Contract Policies**

Pursuant to the Kentucky Model Procurement Code (Code), the Government Contract Review Committee (GCRC) of the Kentucky General Assembly may establish policies that govern personal service contracts. Under the Code, a personal service contract is an agreement whereby an individual, firm, partnership or corporation is to perform certain services requiring professional skill or professional judgment for a specified period of time at an agreed upon price.

**A. Professional Service Rate Schedules:**

The GCRC has established rate schedules for certain professional services and may impact any contract established under the Code. These rate schedules are located on the GCRC website at www.lrc.ky.gov/statcomm/Contracts/homepage.htm.

**B. Invoicing of Personal Service Contracts:**

The Kentucky Model Procurement Code was recently amended to establish conditions for invoicing for fees for personal service contracts. It states, “No payment shall be made on any personal service contract unless the individual, firm, partnership, or corporation awarded the personal service contract submits its invoice on a form established by the committee.” The Government Contract Review Committee has adopted a personal service contract invoice form that must be submitted as a
condition of payment. A copy of the form is located on the GCRC website at www.lrc.ky.gov/statcomm/contracts/PSC%20INVOICE%20form.pdf.

6.27 Copyright Ownership and Title to Designs and Copy

The contractor and University intend this RFP to result in a contract for services, and both consider the products and results of the services to be rendered by the contractor hereunder to be a work made for hire. The contractor acknowledges and agrees that the work and all rights therein, including (without limitation) copyright, belongs to and shall be the sole and exclusive property of the University. For any work that is not considered a work made for hire under applicable law, title and copyright ownership shall be assigned to the University.

Title to all dies, type, cuts, artwork, negatives, positives, color separations, progressive proofs, plates, copy and any other requirement not stated herein required for completion of the finished product for use in connection with any University job shall be the property of and owned by the University. Such items shall be returned to the appropriate department upon completion and/or delivery of work unless otherwise authorized by the University. In the event that time of return is not specified, the contractor shall return all such items to the appropriate University department within one week of delivery.

6.28 University Brand Standards

The contractor must adhere to all University of Kentucky Brand Standards. University Brand Standards are maintained by the University Public Relations Office (UKPR) and can be viewed at http://www.uky.edu/pmarketing/brand-standards. Non-adherence to the standards can have a penalty up to and including contract cancellation. Only the UKPR Director or designee can approve exceptions to the University standards.

Graphics standards for the UK HealthCare areas are governed by UK HealthCare Clinical Enterprise Graphic Standards, found at: https://ourbrand.ukhealthcare.org.

Contractor warrants that its products or services provided hereunder will be in compliance with all applicable Federal disabilities laws and regulations, including without limitation the accessibility requirements of Section 255 of the Federal Telecommunications Act of 1996 (47 U.S.C. § 255) and Section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794d), and its implementing regulations set forth at Title 36, Code of Federal Regulations, Part 1194. For purposes of clarity, updated regulations under Section 508 standards now incorporate WCAG 2.0, and for purposes of this agreement WCAG 2.0 Level AA compliance is expressly included. Contractor agrees to promptly respond to, resolve and remediate any complaint regarding accessibility of products or services in a timely manner and provide an updated version to University at no cost. If deficiencies are identified, University reserves the right to request from Contractor, a timeline by which accessibility standards will be incorporated into the products or services provided by Contractor and shall provide such a timeline within a commercially reasonable duration of time. Failure to comply with these requirements shall constitute a material breach of this Agreement and shall be grounds for termination of this Agreement.

Where any customized web services are provided, Contractor represents that it has reviewed the University’s Web Policy and all products or services will comply with its published standards.
Contractor will provide University with a current Voluntary Product Accessibility Template (VPAT) for any deliverable(s). If none is available, Vendor will provide sufficient information to reasonably assure the University that the products or services are fully compliant with current requirements.

6.29 **Printing Statutes**

The purchase of printing services for all state agencies is governed by Chapter 57 of the Kentucky Revised Statutes. Specifically, all printing must be awarded to the lowest responsive bidder and approved by the Governor of Kentucky. In compliance with these statutes, all printing must be provided by a contract established by the Purchasing Division.
7.0 SCOPE OF SERVICES

7.1 Detailed Services Defined

As a potential provider of services, there are certain Service Capabilities that your organization may need to deliver. These Service Capabilities are listed below, broken down into different categories. Please confirm that your company can fulfill all of the following Service Capabilities. If your company is unable to deliver any of the Service Capabilities, please provide a detailed explanation in your response.

Product Information

- Availability of lifestyle funds or end-date retirement funds (i.e. “funds of funds” classified by risk tolerance or projected retirement year)
- Availability of Roth 403(b)/457(b) recordkeeping services. Roth data consolidated with pretax data on a single participant statement
- Ability to implement automatic enrollment and escalation
- Ability to change investment allocations daily
- Ability to transfer between investment options daily
- Ability to provide bundled services for 403(b) and 457(b) plans with mirror product offerings
- Ability to offer a self-directed brokerage account and the ability to limit the offerings of the account to permissible investments under the plan
- Ability to provide documentation as to the specific process to monitor the internal and external investment options offered in your proposed investment array.

Participant Experience: Communication and Education

- Interactive website made available for participants to access account information and perform plan-related transactions (virtually 24/7)
- Micro-site customized to UK
- Retirement plan modeling
- Ability to provide onsite education
- Ability to provide translation services for non-English speaking participants
- Ability to implement automatic enrollment
- Ability to provide simple enrollment (i.e. postcards)
- Ability to provide customized participant statements, statement inserts and salary reduction agreements.
- Ability to communicate data for multiple plans with the provider via a consolidated participant statement and/or the participant website

Administrative and Recordkeeping

- Specific plan provisions immediately available to the toll-free telephone service representatives
- A minimum of 45 hours per week in which the toll-free service line is staffed by live representatives
• Ability for participants to enroll, make deferral changes, and complete other plan transactions such as loans and withdrawals, via the internet or toll-free service line
• Ability to process contributions, loan repayments, loan requests, withdrawal requests and rollovers into the plan within five business days of receipt
• 100% of participant statements mailed within 15 business days of quarter-end
• Ability to provide complete outsourcing of the following internal administrative functions with no employer involvement:
  - Enrollment and Deferral Elections
  - Beneficiary Designations
  - Vesting
  - Withdrawals, including approval of Hardship distributions
  - Loan requests/repayments
  - Mailing of distribution kits to terminated participants
  - Minimum required distributions
• Ability to provide full servicing of Qualified Domestic Relations Orders (QDROs), including determination of qualified status
• Capacity to provide customized “ad hoc” reports
• Upon request, provide employer-level summary report that includes the following information:
  - Percentage of employee participation
  - Average employee contribution
  - Employee investment allocation
  - Average number of funds used per participant
  - Current loans outstanding and all loan defaults
  - Hardship distributions with distribution date on a rolling six-month basis
  - Terminated participants who are age 70½ or older
  - Inactive participants with balances under $1,000/$5,000
  - Terminated participants with remaining balances
  - Drill down reports on the specific segments of the employee population (e.g. by department or by union)
• Ability to track participants for required minimum distributions and to process such withdrawals
• Plan sponsor website that allows access to plan level records, participant level records and report generating capabilities
• Loan administration that offers repayment via either payroll deduction or direct repayment
• Ability to accept payroll data files from a third-party vendor
• Existence of at least two fully redundant call centers in the event that one call center experiences an outage or other service disruption, and the ability to automatically reroute calls from one center to another in the event of a service disruption
• Ability to modify voice scripts and website content within 24 hours in the event of service disruption
• Disaster recovery testing that occurs at least annually
• Daily account valuation. Plan and participant account reconciliation on a daily basis. Daily access to account information, including balances, exchanges, loans, withdrawals and investment mix election, updated on a daily basis
• Ability to accommodate multiple payroll remittance sources with differing payroll processing schedules (e.g. bi-weekly and semi-monthly)
• Ability to maintain the split between pre-tax and after-tax contributions and to maintain participant’s cost basis for distribution purposes
• Ability to maintain and store beneficiary designation forms for all plans

Compliance
• Ability to administer an individually designed plan document and Summary Plan Description for no additional fee
• Summary Annual Reports, Summary of Material Modifications, and signature-ready Form 5500s at no additional fee
• Reminders to employer of filing deadlines for all federal reports
• Distribution of Form 1099 for all withdrawals and loan defaults
• All required plan testing, and indemnification of employer for testing errors
• If applicable, ability to timely provide all necessary data to independent auditor of plan, as well as IRS and DOL auditors

Expenses

• Full disclosure of all fees, including:
  - Fund management fees
  - Sub-transfer agent fees
  - 12b-1 fees
  - Finder’s fees
  - Shareholder servicing fees
  - Administration charges or fees
  - Brokerage fees or commissions
  - Any other revenue-sharing arrangements
8.0 FINANCIAL OFFER SUMMARY

Offerors may propose under one or all the scenarios:

- Scenario 1 – Provide recordkeeping/administrative services as a single vendor for the Plans.

- Scenario 2 – Provide recordkeeping/administrative service as one of no more than two active recordkeepers offered under the Plans.

- Scenario 3 – Provide recordkeeping/administrative service as one of no more than two active recordkeepers offered under the Plans. Under this scenario, one vendor will be selected to provide master administration/data aggregation service. This provider will be designated as the default for automatically enrolled participants and will receive all liquid assets from the incumbent vendor they replace. In the even that one of the two vendors selected under the multi-vendor scenario is an incumbent vendor, no assets will transfer from the incumbent to the new provider.

8.1 Expenses: Scenario 1 – Single Vendor

1. What is your required revenue rate for providing your proposed services for the 403(b), 401(a), 457(b), 457(f), and 415(m) plans as a single recordkeeper assuming there are no proprietary investments offered under the Plans? Please provide required revenue both as a percentage of assets and as a per participant charge. To simplify our evaluation, please provide your price quote based on a 5-year term. Note that this will, in no way, obligate UK to adopt an agreement based on this term.

2. Does your pricing change if a proprietary fund(s) is (are) included in the arrays? If so, please indicate the fund(s) and describe this difference.

3. Will fees be reduced as Plan assets increase? If so, please provide a schedule and projection for such fee reduction based on a five-year time horizon.

4. As discussed throughout this RFP, UK requires approximately 100 days of onsite participant education per year. How many additional days of onsite participant education can you provide for each 1 basis point of additional cost?

5. Please describe any additional direct fees in detail, including, but not limited to, the following:
   - Set-up fees
   - Annual Plan and or participant fee
   - Recordkeeping fee
   - Administration fee
   - Data aggregation fees (from inactive vendors)
   - Testing fees
   - Document fees: outside attorney drafted documents
   - Form 5500 preparation fees, including assets with legacy vendors
   - Loan administration and processing fees
   - Distribution fees
   - QDRO fees – fees to administer, fees to qualify
   - SPD/SMM/SAR/fee disclosure distribution fees: outside drafted documents
   - Managed Account Fees
6. Do you provide Expense Reimbursement Accounts (ERA) for plan sponsors to use to pay qualifying plan expenses? Assuming so, please confirm the below mechanics of those accounts:

- How is this account funded (revenue-sharing, seed money, other sources)?
- When are the assets allocated into this account?
- What is the process for using funds in this account? Does the plan sponsor reach out to you to request a payment? Does a third party reach out to you for payment? Can a recurring automatic payment schedule be established?
- To whom can payments from the ERA be made? Can payments be made directly to a third party? Can payments be automatically established?
- Does the account value need to be “zero-ed” out on any given schedule?
- Describe your ability to reallocate monies from this account to participants? Do you have the ability to return money only to participants who share revenue above what is needed to administer the plans?
- What documentation is provided to the plan sponsor with respect to the account value and any transactions? What is the timing of this documentation?
- What documentation do you maintain to indicate the agreement surrounding the ERA provisions?
- How do you assist the plan sponsor in preventing the use of the ERA for non-qualifying expenses?
- What happens to the account if the plan sponsor changes vendors?
- If at any time the account value greatly exceeds expenses, what actions do you take to help avoid a continuing large excess?

8.2 Expenses: Scenario 2 – Multi-Vendor

1. What is your required revenue rate for providing your proposed services for the 403(b), 401(a), 457(b), 457(f), and 415(m) plans as one if no more than two active recordkeepers?

   Please provide the following quotes assuming there are no proprietary investments offered under the Plans:

   - Quote 1: Your required revenue both as a percentage of assets and as a per participant charge assuming that your firm is selected and TIAA is retained (mappable assets of approximately $1.9B).

   - Quote 2: Your required revenue both as a percentage of assets and as a per participant charge assuming that your firm is selected and Fidelity is retained (TIAA will be frozen under this scenario, mappable assets of approximately $833.9M).

   To simplify our evaluation, please provide your price quote based on a 5-year term. Note that this will, in no way, obligate the University to adopt an agreement based on this term.

2. Does your pricing change if a proprietary fund(s) is (are) included in the arrays? If so, please indicate the fund(s) and describe this difference for each scenario.
3. Will fees be reduced as plan assets increase? If so, please provide a schedule and projection for such fee reduction based on a five-year time horizon.

4. Please describe any additional direct fees in detail, including, but not limited to, the following:
   - Set-up fees
   - Annual Plan or participant fees
   - Recordkeeping fee
   - Administration fee
   - Data aggregation fees (from inactive vendors)
   - Testing fees
   - Document fees: outside attorney drafted documents
   - Form 5500 preparation fees, including assets with legacy vendors
   - Loan administration and processing fees
   - Distribution fees
   - QDRO fees – fees to administer, fees to qualify
   - SPD/SMM/SAR/fee disclosure distribution fees: outside drafted documents
   - Managed Account Fees
   - Self-Directed Brokerage Account Fees
     - Participant level
     - Plan level

5. Do you provide Expense Reimbursement Accounts (ERA) for plan sponsors to use to pay qualifying plan expenses? Assuming so, please confirm the below mechanics of those accounts:
   - How is this account funded (revenue-sharing, seed money, other sources)?
   - When are the assets allocated into this account?
   - What is the process for using funds in this account? Does the plan sponsor reach out to you to request a payment? Does a third party reach out to you for payment? Can a recurring automatic payment schedule be established?
   - To whom can payments from the ERA be made? Can payments be made directly to a third party?
   - Does the account value need to be “zero-ed” out on any given schedule?
   - Describe your ability to reallocate monies from this account to participants? Do you have the ability to return money only to participants who share revenue above what is needed to administer the plans?
   - What documentation is provided to the plan sponsor with respect to the account value and any transactions? What is the timing of this documentation?
   - What documentation do you maintain to indicate the agreement surrounding the ERA provisions?
   - How do you assist the plan sponsor in preventing the use of the ERA for non-qualifying expenses?
   - What happens to the account if the plan sponsor changes vendors?
   - If at any time the account value greatly exceeds expenses, what actions do you take to help avoid a continuing large excess?

6. Please describe any additional direct fees in detail, including, but not limited to, the following:
   - Set-up fees
   - Annual Plan or participant fees
   - Recordkeeping fee
- Administration fee
- Data aggregation fees (from inactive vendors)
- Testing fees
- Document fees: outside attorney drafted documents
- Form 5500 preparation fees, including assets with legacy vendors
- Loan administration and processing fees
- Distribution fees
- QDRO fees – fees to administer, fees to qualify
- SPD/SMM/SAR/fee disclosure distribution fees: outside drafted documents
- Managed Account Fees
- Self-Directed Brokerage Account Fees
  - Participant level
  - Plan level

7. Do you provide Expense Reimbursement Accounts (ERA) for plan sponsors to use to pay qualifying plan expenses? Assuming so, please confirm the below mechanics of those accounts:
   - How is this account funded (revenue-sharing, seed money, other sources)?
   - When are the assets allocated into this account?
   - What is the process for using funds in this account? Does the plan sponsor reach out to you to request a payment? Does a third party reach out to you for payment? Can a recurring automatic payment schedule be established?
   - To whom can payments from the ERA be made? Can payments be made directly to a third party?
   - Does the account value need to be “zero-ed” out on any given schedule?
   - Describe your ability to reallocate monies from this account to participants? Do you have the ability to return money only to participants who share revenue above what is needed to administer the plans?
   - What documentation is provided to the plan sponsor with respect to the account value and any transactions? What is the timing of this documentation?
   - What documentation do you maintain to indicate the agreement surrounding the ERA provisions?
   - How do you assist the plan sponsor in preventing the use of the ERA for non-qualifying expenses?
   - What happens to the account if the plan sponsor changes vendors?
   - If at any time the account value greatly exceeds expenses, what actions do you take to help avoid a continuing large excess?

8.3 Expenses: Scenario 3 – Multi-Vendor (Master Administrator)

1. What is your required revenue rate for providing your proposed services for the 403(b), 401(a), 457(b), 457(f), and 415(m) plans as one of no more than two recordkeepers? Under this scenario, one recordkeeper will be selected to provide master administration/data aggregation service. This provider will be designated as the default for automatically enrolled participants and will receive all liquid assets from the incumbent vendor they replace. In the event that one of the two vendors selected under the multi-vendor scenario is an incumbent vendor, no assets will transfer from the incumbent to a new provider.

Please provide the following quotes assuming there are no proprietary investments offered under the Plans:
- Quote 1: Your required revenue both as a percentage of assets and as a per participant charge assuming that your firm is selected as the default provider/primary provider and TIAA is retained. If you are proposing the use of a common remitter/centralized data monitoring service under this scenario, please indicate whether there is an additional cost associated with this service.

- Quote 2: Your required revenue both as a percentage of assets and as a per participant charge assuming that your firm is selected as the default provider/primary provider and Fidelity is retained. If you are proposing the use of a common remitter/centralized data monitoring service under this scenario, please indicate whether there is an additional cost associated with this service.

- Quote 3: Your required revenue both as a percentage of assets and as a per participant charge assuming that your firm is selected as the secondary provider.

To simplify our evaluation, please provide your price quote based on a 5-year term. Note that this will, in no way, obligate UK to adopt an agreement based on this term.

2. Does your pricing change if a proprietary fund(s) is (are) included in the arrays? If so, please indicate the fund(s) and describe this difference for each scenario.

3. Will fees be reduced as plan assets increase? If so, please provide a schedule and projection for such fee reduction based on a five-year time horizon.

4. Please describe any additional direct fees in detail, including, but not limited to, the following:

   - Set-up fees
   - Annual Plan or participant fees
   - Recordkeeping fee
   - Administration fee
   - Data aggregation fees (from inactive vendors)
   - Testing fees
   - Document fees: outside attorney drafted documents
   - Form 5500 preparation fees, including assets with legacy vendors
   - Loan administration and processing fees
   - Distribution fees
   - QDRO fees – fees to administer, fees to qualify
   - SPD/SMM/SAR/fee disclosure distribution fees: outside drafted documents
   - Managed Account Fees
   - Self-Directed Brokerage Account Fees
     - Participant level
     - Plan level

5. Do you provide Expense Reimbursement Accounts (ERA) for plan sponsors to use to pay qualifying plan expenses? Assuming so, please confirm the below mechanics of those accounts:

   - How is this account funded (revenue-sharing, seed money, other sources)?
   - How is this account funded (revenue-sharing, seed money, other sources)?
   - When are the assets allocated into this account?
   - What is the process for using funds in this account? Does the plan sponsor reach out to you to request a payment? Does a third party reach out to you for payment? Can a recurring automatic payment schedule be established?
- To whom can payments from the ERA be made? Can payments be made directly to a third party?
- Does the account value need to be “zero-ed” out on any given schedule?
- Describe your ability to reallocate monies from this account to participants? Do you have the ability to return money only to participants who share revenue above what is needed to administer the plans?
- What documentation is provided to the plan sponsor with respect to the account value and any transactions? What is the timing of this documentation?
- What documentation do you maintain to indicate the agreement surrounding the ERA provisions?
- How do you assist the plan sponsor in preventing the use of the ERA for non-qualifying expenses?
- What happens to the account if the plan sponsor changes vendors?
- If at any time the account value greatly exceeds expenses, what actions do you take to help avoid a continuing large excess?

6. Please describe any additional direct fees in detail, including, but not limited to, the following:

- Set-up fees
- Annual Plan or participant fees
- Recordkeeping fee
- Administration fee
- Data aggregation fees (from inactive vendors)
- Testing fees
- Document fees: outside attorney drafted documents
- Form 5500 preparation fees, including assets with legacy vendors
- Loan administration and processing fees
- Distribution fees
- QDRO fees – fees to administer, fees to qualify
- SPD/SMM/SAR/fee disclosure distribution fees: outside drafted documents
- Managed Account Fees
- Self-Directed Brokerage Account Fees
  - Participant level
  - Plan level

7. Do you provide Expense Reimbursement Accounts (ERA) for plan sponsors to use to pay qualifying plan expenses? Assuming so, please confirm the below mechanics of those accounts:

- How is this account funded (revenue-sharing, seed money, other sources)?
- When are the assets allocated into this account?
- What is the process for using funds in this account? Does the plan sponsor reach out to you to request a payment? Does a third party reach out to you for payment? Can a recurring automatic payment schedule be established?
- To whom can payments from the ERA be made? Can payments be made directly to a third party?
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- What happens to the account if the plan sponsor changes vendors?
- If at any time the account value greatly exceeds expenses, what actions do you take to help avoid a continuing large excess?

8.4 Alternate Pricing

In addition to the above financial offer, the offeror may submit alternative financial proposals, however the information requested above must be supplied and will be used for proposal evaluation purposes.

8.5 Additional Financial Commitment

In addition to the financial offers, please propose a financial commitment to assist the University. Options may include a signing bonus, scholarships, internships, committee to hire University Graduates or a (%) percentage rebate.