



Leon County

Board of County Commissioners

301 South Monroe Street, Tallahassee, Florida 32301
(850) 606-5302 www.leoncountyfl.gov

Purchasing Division
1800-3 Blair Stone Road
(corner of Miccosukee and Blair Stone Roads)
Tallahassee, Florida 32308
(850) 606-1600

Commissioners

BILL PROCTOR
District 1

JANE G. SAULS
District 2

JOHN DAILEY
District 3

BRYAN DESLOGE
District 4

KRISTIN DOZIER
District 5

NICK MADDOX
At-Large

AKIN AKINYEMI
At-Large

VINCENT S. LONG
County Administrator

HERBERT W.A. THIELE
County Attorney

November 9, 2011

RE: Request for Proposals for Administration of Deferred Compensation Plans
(457 & 401a)
Proposal Number: BC-11-02-11-13
Opening Date: Changed to Tuesday, November 22, 2011 at 2:00 PM

ADDENDUM #2

Dear Vendor:

This letter serves as Addendum #2 for the above referenced project.

1. Attachment 1 is a worksheet on each of the current plans.
2. Attachment 2 is vendor questions received with the answers.
3. Attachment 3 is a current listing of County office locations (posted as an Excel document at:
<http://cms.leoncountyfl.gov/Home/Departments/OfficeofFinancialStewardship/Purchasing/Addenda>)
4. Attachment 4 is Exhibit C of the RFP and is posted at the above site in Excel format for your use. Your proposal must include a digital copy of the completed Exhibit (CD or thumb drive).
5. Also posted at the same website are the 401A adoption agreements for VALIC, NACO, and ICMA for information purposes.

Acknowledgment of this addendum is required as part of your proposal (may be done of the Proposal Response Cover Sheet (page 17). Failure to acknowledge this addendum may result in rejection of your bid.

Should you have any questions, feel free to call me at (850) 606-1600.

Sincerely,

Keith M. Roberts
Purchasing Director

		VALIC (457)				
		Board/Supervisor of Elections	Sheriff's Office	Clerk	Tax Collector	401(a) Plan
Plan Composition <i>Data Source: Plan Administrator as of 9/30/2011</i>						
Number of Plan Participants w/Account Balance						
Number of Active Participants	Whole Number	162	117	5	28	109
	Whole Number	114	73	2	17	84
Total Market Value of Plan Assets	\$ value	\$2,445,621	\$1,326,839	\$29,634	\$393,932	\$154,869
Average Participant Balance	\$ value	\$15,096	\$11,341	\$5,927	\$14,069	\$1,420
Participant Loans	\$ value	\$0	\$0	\$0	\$0	\$2,721
Total Contributions for Calendar 2010	\$ value	\$199,275	\$130,765	\$3,000	\$33,074	\$31,710
Total Distributions for Calendar 2010	\$ value	\$4,372	\$68,600	\$0	\$0	\$4,645
Total Contributions Calendar YTD	\$ value	\$194,918	\$33,269	\$1,650	\$29,894	\$30,984
Total Distributions Calendar YTD	\$ value	\$178,358	\$27,996	\$0	\$6,546	\$4,990
Penalties <i>Data Source: Plan Administrator as of 9/30/2011, Termination Assumption 11/3/2011</i>						
Market Value Adjustment (MVA)*						
	\$ value	\$17,219	\$11,871	\$233	\$3,148	\$19,938
	% of total assets	5.00%	5.00%	5.00%	5.00%	5.00%
Deferred Surrender Charge (DSC) Penalty**						
	\$ value	\$49,680	\$30,724	\$1,340	\$7,463	\$0
	% of total assets	5.00%	5.00%	5.00%	5.00%	5.00%
Total Market Value of Plan Assets Subject to MVA/DSC						
	\$ value	\$344,379	\$237,429	\$4,650	\$62,968	\$398,763
	% of total assets	5.00%	5.00%	5.00%	5.00%	5.00%
Total Market Value of Plan Assets Subject to Lock Up/Put in Excess 1 Year						
	\$ value	\$0	\$0	\$0	\$0	\$0
	% of total assets	0.00%	0.00%	0.00%	0.00%	0.00%

		ICMA (457)			
		Board/Supervisor of Elections	Clerk	Tax Collector	#1 ICMA 401(a) Plan
Plan Composition <i>Data Source: Plan Administrator as of 9/30/2011</i>					
Number of Plan Participants w/Account Balance					
	Whole Number	118	0	0	61
Number of Active Participants					
	Whole Number		0	0	
Total Market Value of Plan Assets					
	\$ value	\$3,909,908	\$0	\$0	\$84,247
Average Participant Balance					
	\$ value	\$33,135	\$0	\$0	\$1,381
Participant Loans					
	\$ value		\$0	\$0	
Total Contributions for Calendar 2010					
	\$ value	\$344,912	\$0	\$0	\$17,736
Total Distributions for Calendar 2010					
	\$ value	\$312,936	\$0	\$0	\$2,908
Total Contributions Calendar YTD					
	\$ value	\$233,482	\$0	\$0	\$13,495
Total Distributions Calendar YTD					
	\$ value	\$11,061	\$0	\$0	\$2,172
Penalties <i>Data Source: Plan Administrator as of 9/30/2011, Termination Assumption 11/3/2011</i>					
Market Value Adjustment (MVA)*					
	\$ value	\$0	\$0	\$0	\$0
	% of total assets	0.00%	0.00%	0.00%	0.00%
Deferred Surrender Charge (DSC) Penalty**					
	\$ value	\$0	\$0	\$0	\$0
	% of total assets	0.00%	0.00%	0.00%	0.00%
Total Market Value of Plan Assets Subject to MVA/DSC					
	\$ value	\$0	\$0	\$0	\$0
	% of total assets	0.00%	0.00%	0.00%	0.00%
Total Market Value of Plan Assets Subject to Lock Up/Put in Excess 1 Year					
	\$ value	\$0	\$0	\$0	\$0
	% of total assets	0.00%	0.00%	0.00%	0.00%

		ING (457)	
		Clerk	Property Appraiser
Plan Composition <i>Data Source: Plan Administrator as of 9/30/2011</i>			
Number of Plan Participants w/Account Balance			
Number of Active Participants	Whole Number	15	10
	Whole Number	7	3
Total Market Value of Plan Assets			
	\$ value	\$111,648	\$182,156
Average Participant Balance			
	\$ value	\$7,443	\$18,216
Participant Loans			
	\$ value	\$0	\$0
Total Contributions for Calendar 2010			
	\$ value	\$4,275	\$4,645
Total Distributions for Calendar 2010			
	\$ value	\$11,954	\$3,702
Total Contributions Calendar YTD			
	\$ value	\$3,985	\$1,885
Total Distributions Calendar YTD			
	\$ value	\$9,800	\$0
Penalties <i>Data Source: Plan Administrator as of 9/30/2011, Termination Assumption 11/3/2011</i>			
Market Value Adjustment (MVA)*			
	\$ value	\$0	\$0
	% of total assets	0.00%	0.00%
Deferred Surrender Charge (DSC) Penalty**			
	\$ value	\$181	\$8,045
	% of total assets	0.16%	4.42%
Total Market Value of Plan Assets Subject to MVA/DSC			
	\$ value	\$109,411	\$163,087
	% of total assets	98.00%	89.53%
Total Market Value of Plan Assets Subject to Lock Up/Put in Excess 1 Year			
	\$ value	\$2,237	\$19,069
	% of total assets	2.00%	10.47%

		HARTFORD (457)
		Sheriff
Plan Composition <i>Data Source: Plan Administrator as of 9/30/2011</i>		
Number of Plan Participants w/Account Balance		
Number of Active Participants	Whole Number	50
Total Market Value of Plan Assets	Whole Number	39
Average Participant Balance	\$ value	\$584,485
Participant Loans	\$ value	\$11,690
Total Contributions for Calendar 2010	\$ value	\$0
Total Distributions for Calendar 2010	\$ value	\$157,861
Total Contributions Calendar YTD	\$ value	\$86,590
Total Distributions Calendar YTD	\$ value	\$121,536
	\$ value	\$147,549
Penalties <i>Data Source: Plan Administrator as of 9/30/2011, Termination Assumption 11/3/2011</i>		
Market Value Adjustment (MVA)*		
	\$ value	\$0
	% of total assets	0.00%
Deferred Surrender Charge (DSC) Penalty**		
	\$ value	\$0
	% of total assets	0.00%
Total Market Value of Plan Assets Subject to MVA/DSC		
	\$ value	\$0
	% of total assets	0.00%
Total Market Value of Plan Assets Subject to Lock Up/Put in Excess 1 Year		
	\$ value	\$174,689
	% of total assets	30.00%

		Totals
		All Offices
Plan Composition <i>Data Source: Plan Administrator as of 9/30/2011</i>		
Number of Plan Participants w/Account Balance		
Number of Active Participants	Whole Number	1558
	Whole Number	925
Total Market Value of Plan Assets		
	\$ value	\$24,567,788
Average Participant Balance		
	\$ value	\$15,769
Participant Loans		
	\$ value	\$2,721
Total Contributions for Calendar 2010		
	\$ value	\$2,722,770
Total Distributions for Calendar 2010		
	\$ value	\$8,251,167
Total Contributions Calendar YTD		
	\$ value	\$1,731,257
Total Distributions Calendar YTD		
	\$ value	\$4,647,588
Penalties <i>Data Source: Plan Administrator as of 9/30/2011, Termination Assumption 11/3/2011</i>		
Market Value Adjustment (MVA)*		
	\$ value	\$504,409
	% of total assets	2.05%
Deferred Surrender Charge (DSC) Penalty**		
	\$ value	\$97,433
	% of total assets	0.40%
Total Market Value of Plan Assets Subject to MVA/DSC		
	\$ value	\$10,540,687
	% of total assets	42.90%
Total Market Value of Plan Assets Subject to Lock Up/Put in Excess 1 Year		
	\$ value	\$195,995
	% of total assets	0.80%

MEMORANDUM

TO: Ernie Poirier
FROM: Dave West, Joe Bogdahn
DATE: 11-8-2011
RE: RFP Response to Vendor Questions

Consolidated Vendor Questions and Response

1. **(Hartford) On page 5, Section 6 of the Questionnaire, you provide information regarding the four pricing scenarios. Can you please confirm that we are to use the lineup that is provided on Exhibit C for scenarios 1-3 and to use our current lineup presently being offered to the Leon County Sheriff's Office for scenario 4?**
 - a. Scenario one-current vendors: new platform
 - b. Scenario two-current vendors:
 - i. current line up
 - ii. new platform
 - c. Scenario three-current vendors platform
 - d. Scenario four-current vendors rebid current platform
 - e. New Vendors bid on scenario 1, 2 only.

2. **(Valic) We have been working on our response to the RFP. Question 4 under section 6 asks for the effect on fees if all existing assets are not transferred. Can you confirm that all assets can be employer directed under scenario 1? Under scenario #1, if all assets transfer over there is no hold back. It is the intent that participants will not incur any penalties or costs. New vendor would have option to pick up those costs included in the transfer, surrender charges and mva's, Please reference the attached spreadsheet for assets subject to penalty. The sponsor directs selection of the fund menu options. Does this answer the question?**

3. **Cash flow information for the most recent 12-month period available by plan location and current vendor be provided? Please reference attached spreadsheet.**

4. **Which providers currently have a 12 month put on assets? Please reference attached spread sheet.**

5. **(ICMA) How many plans will there be in the single vendor scenario? For example, one 457 & one 401a Plan. Each Constitutional Office will (5) will contract separately, a single plan model which will be adopted by all offices. There is (1) 401a Plan with Board/ Supervisor of Elections Office only and includes Valic, ICMA, Naco under three separate contracts.**

6. **How many participants have assets in more than one plan? Not available; estimate ten participants.**

7. **Please provide the total amount of contributions and distributions for 2010 and YTD 2011 for each plan. Please reference the attached spread sheet.**

8. **Please provide the total amount of assets as of 9/30/2011 for each plan. Please reference the attached spread sheet.**

9. **What is the total amount of 401 and 457 assets invested in stable value funds as of 9/30/2011?** *Information not available; please reference attached spread sheet for funds subject to lock ups and penalties.*
10. **Please provide the 9/30/2011 fund balances for each plan.** *Please reference attached spread sheet for Total Market Value of Plan Assets.*
11. **(AXA) Are the assets of \$25M for both the 457 and 401(a) plans?** *Please reference attached spread sheet Total Market Value of Plan Assets.*
12. **What are the total assets in the 457 plan?** *Please reference attached spread sheet Total Market Value of Plan Assets.*
13. **What are the annual contributions into the 457 plan?** *Please reference attached spread sheet.*
14. **How many actively contributing participants in this plan?** *Please reference attached spread sheet.*
15. **What are the total assets in the 401(a) plan?** *Please reference attached spread sheet*
16. **What are the annual contributions into the 401(a) plan?** *Please reference attached spread sheet.*
17. **How many actively contributing participants in this plan?** *Please reference attached spread sheet.*
18. **Page 2 (#2): Please clarify what you mean by: "County directed fund election menu." Do you mean that the County will select the fund lineup?** *Yes, the County Offices will select the fund line up. Please reference Exhibit C of the RFP for the current list.*
19. **Page 2 (#3): Is it correct to assume that a new vendor (one that is not an incumbent) will only be responding to 2 pricing scenarios: single provider and multiple (Scenarios 1 and 2)?** *Yes.*
20. **Page 11 Required Submittals: Where should we include our proposal Executive Summary?** *Your proposal should have the Proposal Response Sheet (page 17 of the RFP) at the beginning of your document followed by an Executive Summary or letter of introduction and then in the format outlined on page 11 of the RFP.*
21. **Local Vendor Certification form: The form states that we need to submit copies of our County and City business licenses. As an insurance company, we are required to be federally registered and licensed in the state of Florida, and our representative financial professionals also hold state, and financial industry licenses. Aside from our required licensing is there specific County or City licenses required?** *There currently is no requirement for a business or occupational license by Leon County. Businesses with an office within the city limits of the City of Tallahassee may be required to be licensed.*
22. **Please provide an estimate of the Market Value Adjustment to leave Nationwide or the VALIC fixed account.** *Please reference attached spreadsheet.*

- 23. Exhibit C Fund Sheet: Please provide the assets held in each investment option?** *There are no assets held per Exhibit C, the menu represents the new target fund menu options outlined in the RFP.*
- 24. Exhibit C Fund Sheet: Are we required to complete this for scenario 3 if we are not a current provider?** *No. New vendors would not respond to scenario 3 or 4.*
- 25. Exhibit C Fund Sheet: Do you require your current fund lineup to be mapped for Scenarios 1 and 2? Or, can we provide an alternative fund lineup?** *Yes, the Sponsor requires Mapping to the target menu options.*
- 26. (Valic) Can cash flow information for the most recent 12-month period available by plan location and current vendor be provided?** *Please reference attached spread sheet.*
- 27. Which providers currently have a 12 month put on assets?** *Please reference attached spread sheet.*
- 28. (Nation Wide) Do any of the current providers offer loans, certificates of deposit, self-directed brokerage options, managed accounts and/or life insurance. If so, please provide the number of participants and assets in those options, and explanation of how the County expects the winning respondent(s) to handle/administer these options moving forward.**
*Loans-No
CD-No
SDB-allowed, only one participant (ICMA)
Managed Accounts-Information not available
Life Insurance-Employees have life insurance sold in addition to 457 account under separate participant agreement with the vendor.
Annuities- Valic, Naco provide 457 annuities.*
- The RFP Committee will determine how these options will be administered in the future.*
- 29. Please provide the current assets by fund, by administrator.** *Please reference attached spread sheet listing assets by vendor and by Constitutional Office.*
- 30. Please provide the adoption agreements for the 401a Plans.** *These are posted at: <http://cms.leoncountyfl.gov/Home/Departments/OfficeofFinancialStewardship/Purchasing/Addenda>*
- 31. Are any of the existing monies encumbered by contingent deferred sales charges, market value adjustments or surrender charges? If so, please provide details and expectations of the winning respondent(s).** *Please reference question #2 above and the attached spread sheet.*
- 32. Please provide Exhibits B & C as either Word or Excel documents, so that respondents may populate the charts.** *See instructions in Addendum 2.*
- 33. When does the Plan anticipate conducting finalist interviews, contract award and implementation?** *Information not available at this time*
- 34. Item P, page 5 - Is there a specific list or database that respondents should query, in connection with this requirement?** *This form is an affidavit for the vendor to certify and vendors should be aware if they have run afoul of the Federal requirements listed.*

- 35. Item W, page 7 - Can the County provide NRS with a copy of the referenced "Memorandum of Understanding"?** *No, each entity must go through the process with the Department of Homeland Security to secure the appropriate MOU for that organization. The Purchasing Division does not have access to those documents. We have found that most large corporations have executed such through their human resources offices and participate in the E-verify program.*
- 36. Item B, pages 13 & 18 - Can the County clarify whether Executive Order 11246 is applicable to this RFP? If not, do respondents need to complete a modified EEO/AA Statement (page 18 of RFP packet)?** *Yes, it is applicable as the County receives Federal funding in various ways that may be used as wages for staff who participate in these benefit plans.*
- 37. In the Background section on page ten there is a reference to two different county payroll systems. At NRS, some of the county offices use a proprietary file transfer process for automated payroll while other offices send paper checks and detail. Is it the County's intention with the new contract to use payroll automation for all the offices? If so, please provide details on the file layout and formats expected to be used.** *Not available at this time.*
- 38. Attachment A, Questionnaire Section 2, question 12, page 2, mentions contribution loan information. Traditionally we establish loans as an Automated Clearing House (ACH) repayment which removes the plan from loan administration. If you choose to offer loans would you prefer the ACH method or do you want to offer loans that are repaid through payroll deduction?** *ACH method.*
- 39. Item 10, page 11 - As a current provider, one of the Plan's investment options has the potential for a market value adjustment at contract termination. However it appears this is prohibited by the Minimum Requirements, but Scenario 4 requires we bid our existing investment menu. Can the County provide direction/expectations?** *It is the County Offices' desire to provide participants with voluntary vendor selection options which would include maintaining status quo (scenario #4); all penalties should be clearly identified in the existing investment menu.*

Constitutional Office Locations					
Board of County Commissioners	Tax Collector	Clerk of the Court	Supervisor of Elections	Sheriff	Property Appraiser
Primary Office	Primary Office	Primary Office	Primary Office	Primary Office	Primary Office
Bank of America Bldg. 315 South Calhoun St.	Heritage Plaza 2810 Sharer Rd.	Bank of America Bldg. 315 South Calhoun St.	Bank of America Bldg. 315 South Calhoun St.	2825 Municipal Way	Bank of America Bldg. 315 South Calhoun St.
Courthouse	Carriage Gate Plaza	Finance, Internal Audits, Human Resources	Voting Operations Center	Leon County Jail	
301 S. Monroe St	3425 Thomasville Rd.	Courthouse 301 S. Monroe St	918 Railroad Ave.	535 Appleyard Dr.	
Facilities Management	Westside	Heritage Plaza			
1907 S. Monroe St.	870-1 Blountstown Hwy.	2810 Sharer Rd., Suite 17			
Public Works and Operations	Cross Creek				
2280 Miccosukee Road	1210 E/F Capital Circle, SE				
Growth Management	Bank of America Bldg.				
435 N. Macomb St	315 South Calhoun St. 3477 S. Monroe St, Suite 1-3				
Growth Management					
4900 Gum Rd					
Solid Waste					
7550 Apalachee Pwky					
Probation/Pre-Trial Release					
501 Appleyard Dr.					
Tourist Development					
106 E. Jefferson St.					
Leon County Extension					
615 Paul Russell Rd.					
HHS, Veterans Services, and Volunteer Services					
918 Railroad Ave.					
Leroy Collins Library					
200 West Park Ave.					
B. L. Perry Library					
Branch 2817					
South Adams Street					
Eastside Branch Library					
1583 Pedrick Road					
Northeast Library Branch					
5513 Thomasville Road					
Lake Jackson Library					
Branch 3840					
302 N. Monroe St.					
Fort Braden Branch Library					
16327 Blountstown Highway					
Woodville Community Library					
8000 Old Woodville Highway					

Name and Ticker	Total of Revenue Sharing from all sources % (ie. 12b-1, shareholder servicing, sub-TA, finder fees) that will be applied to the UPA account	List All Sources of Revenue	Any Administration/ Recordkeeping Fees Paid by Plan Sponsor and/or Applied To Participant Accounts %
Stable Value			
<i>Please list your proposed fund, and provide a copy of any agreement necessary to utilize this fund option</i>	0.00%	TEXT	0.00%
Fixed Income			
Vanguard Total Bond Market Index (VBTIX)	0.00%	TEXT	0.00%
Pimco Diversified Income Instl. (PDIIX)	0.00%	TEXT	0.00%
Vanguard Inflation Protected Secs. Instl. (VIPIX)	0.00%	TEXT	0.00%
Large Cap Value			
Vanguard Windsor II Investor (VWNFX)	0.00%	TEXT	0.00%
Large Cap Growth			
MainStay Large Cap Growth I (MLAIX)	0.00%	TEXT	0.00%
Large Cap Core Index			
Vanguard S&P 500 Index Fund Signal (VIFSX)	0.00%	TEXT	0.00%
Balanced Fund Option			
Vanguard Windsor II Investor (VWNFX)	0.00%	TEXT	0.00%
Mid Cap Value			
Ridgeworth Mid Cap Value (SMVTX)	0.00%	TEXT	0.00%
Mid Cap Growth			
Baird Mid Cap Institutional (BMDIX)	0.00%	TEXT	0.00%

Mid Cap Core			
Vanguard Mid Cap Index Signal (VMISX)	0.00%	TEXT	0.00%
Small Cap Value			
Heartland Value Plus (HRVIX)	0.00%	TEXT	0.00%
Small Cap Growth			
Lord Abbett Developing Growth I (LADYX)	0.00%	TEXT	0.00%
Small Cap Core			
Vanguard Small Cap Index Signal (VSISX)	0.00%	TEXT	0.00%
International Equity			
Manning & Napier Overseas (EXOSX)	0.00%	TEXT	0.00%
Vanguard Developed Markets Index Fund (VDMIX)	0.00%	TEXT	0.00%
Vanguard Emerging Markets Stock Index (VEIEX)	0.00%	TEXT	0.00%
Global Equity			
Vanguard Total Intl. Stock Index Inv. (VGTSX)	0.00%	TEXT	0.00%
Real Estate			
T. Rowe Price Real Estate (TRREX)	0.00%	TEXT	0.00%