

**Joint Request for Proposals (RFP)
for**

Recordkeeper Services for Deferred Compensation, Defined Contributions and Post
Employment Health Plans
RFP HR 20-101

Schedule

ACTIVITY (All times are local Phoenix time)	DATE
Issue RFP	January 31, 2020
Pre-Proposal Meeting at 1:30 p.m.	February 10, 2020
Submittal of Written Questions by 2:00 p.m.	February 18, 2020
Responses to Written Questions	February 28, 2020
Proposal Submittal by 2:00 p.m.	March 20, 2020
Short Listing and Consultant Interviews, if applicable	May 12 - 15, 2020
Award Recommendation to Phoenix City Council	July 1, 2020

Submit proposals and requests for alternate formats to:

Adriana Phillips, Procurement Officer
City of Phoenix Human Resources Department
251 W. Washington Street, 7th Floor
Phoenix, Arizona 85003
Telephone: (602) 534-1676 (7-1-1 Friendly)
Adriana.phillips@phoenix.gov
Date posted on website (issue Date): January 31, 2020

This RFP does not commit the City to award any agreement.
All dates subject to change.



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SECTION I – INSTRUCTIONS

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RFP PROCESS

1. INSTRUCTIONS: DESCRIPTION – STATEMENT OF NEED:

- 1.1. The City of Phoenix invites sealed offers for Recordkeeper Services for Deferred Compensation, Defined Contributions and Post Employment Health Plans for a five-year period commencing on or about July 1, 2020 or the “Effective Date” which is upon award by City Council, conditioned upon signature and recording by the City Clerk’s department, as required by the Phoenix City Code, whichever is later, in accordance with the Minimum Qualifications in paragraph 2, the Scope of Work in Exhibit A to the Professional Services Agreement attached in Section II and the additional specifications and provisions contained herein. For the purpose of this solicitation, the Post Employment Health Plan is a health reimbursement arrangement under section code 105 and 106. This solicitation is available through Arizona Relay Service 7-1-1. Please call TTY 800-367-8939 for assistance.
- 1.2. Notwithstanding the foregoing, this Agreement will terminate upon the earliest occurrence: by reaching the end of the term including any extensions exercised, or termination pursuant to the provisions of this Agreement.

2. MINIMUM QUALIFICATIONS:

Each Offeror must demonstrate in its proposal that it meets the minimum qualifications, or its proposal will be disqualified as non-responsive.

- 2.1. The Offeror must have a minimum of ten (10) years’ experience in administering bundled governmental deferred compensation plans, including section 457 plans; and/or 401(a) plans and/or (as applicable) Health Reimbursement Arrangement Plans.
- 2.2. The Offeror must have provided services to at least three (3) governmental defined contribution plans (457 and 401(a)) with more than 10,000 participants for a minimum of five (5) years.
- 2.3. The Offeror must currently provide services to at least three (3) governmental defined contribution plans with assets in excess of one billion dollars.
- 2.4. The Offeror must provide at least two (2) City of Phoenix personnel with the opportunity to visit Offeror’s Home Office or key facilities at least every other year at the expense of the Offeror.



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- 2.5. The Offeror will have successfully completed at least two (2) conversions from another record keeper of a Section 457 and/or 401(a) plan within the last three (3) years. Although not required, it is preferred that the Offeror also have completed at least one (1) conversion from another record keeper of a Health Reimbursement Arrangement within the last three (3) years.
- 2.6. The Offeror must agree, under contract, not to sell and/or promote products not directly affiliated with the Plan(s) unless given specific, written authorization by the Boards to do so.
- 2.7. Any contract must stipulate that there will be no front-end charges and/or no back-end charges. In addition, there will be no restrictions or penalties associated with any Plan- or participant-initiated transfers or withdrawals (including contract termination)
- 2.8. The Offeror must be lawfully authorized to conduct business in Arizona or must have no impediments to conducting business in Arizona.
- 2.9. The terms outlined throughout this RFP process (within your response and any enhancements thereafter) must remain in place through negotiations and be part of the final contract unless specifically waived by the City in writing.
- 2.10. Proposals will be considered non-responsive, at the sole discretion of the City, if these requirements are not met.
- 2.11. The Offeror must have the capacity to provide a four-month transition plan consistent with paragraph 18 of Section II of this solicitation; and complete the transition and provide services on November 20, 2020.

3. AGREEMENT TERM AND CONTRACTUAL RELATIONSHIP:

Offerors are responsible for reading the agreement and submitting any questions about it in accordance with the process listed in this agreement. By submitting a proposal, each Offeror agrees it will be bound by the terms of the Agreement attached hereto. The City anticipates a five-year term. Notwithstanding the foregoing, this Agreement will terminate upon the earliest occurrence of any of the following:

- reaching the end of the term and any extensions;
- completing the services set forth in the Scope of Work (the “Services”);
- payment of the maximum authorized compensation; or
- termination pursuant to the provisions of the Agreement.

4. PRE-PROPOSAL MEETING:

Offerors may attend the pre-proposal meeting at the date and time listed on page one in the Laveen Conference Room at 251 W Washington Street, 10th Floor. Phoenix, AZ 85003. Please register for this meeting by emailing the procurement officer listed on the front page.

5. SCOPE OF WORK AND SPECIAL TERMS AND CONDITIONS:

Contractor will provide consulting services that will be in accordance with the Scope



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of Work as set forth in Section II, *Exhibit A*, which may be supplemented with additional detail from time to time during the term of the Agreement, and that are satisfactory to the City. In performing these services, Contractor will also specifically comply with the applicable Supplemental Terms and Conditions that are set forth in Section II, *Exhibit E*.

6. CITY'S VENDOR SELF-REGISTRATION AND NOTIFICATION:

Vendors must be registered in the City's eProcurement Self-Registration System at <https://www.phoenix.gov/financesite/Pages/EProc-help.aspx> in order to respond to solicitations and access procurement information. The City may, at its sole discretion, reject any offer from a Offeror who has not registered in the City's eProcurement system.

7. PREPARATION OF OFFER:

- 7.1. All forms provided must be completed and submitted with your offer. The signed and completed Solicitation Disclosure form must be included or your offer may be deemed non-responsive.
- 7.2. It is permissible to copy Submittal forms if necessary. Erasures, interlineations, or other modifications of your offer must be initialed in original ink by the authorized person signing the offer. No offer will be altered, amended or withdrawn after the specified offer due date and time. The City is not responsible for Offeror's errors or omissions.
- 7.3. All time periods stated as a number of days will be calendar days.
- 7.4. It is the responsibility of all Offerors to examine the entire solicitation and seek clarification of any requirement that may not be clear and to check all responses for accuracy before submitting an offer. Negligence in preparing an offer confers no right of withdrawal after due date and time. Offerors are strongly encouraged to:
- 7.5. Consider applicable laws and/or economic conditions that may affect cost, progress, performance, or furnishing of the products or services.
- 7.6. Study and carefully correlate Offeror's knowledge and observations with the solicitation and other related data.
- 7.7. Promptly notify the City of all conflicts, errors, ambiguities, or discrepancies which Offeror has discovered in or between the solicitation and such other related documents.
- 7.8. The City does not reimburse the cost of developing, presenting or providing any response to this solicitation. Offers submitted for consideration should be prepared simply and economically, providing adequate information in a straightforward and concise manner. The Offeror is responsible for all costs incurred in responding to this solicitation. All materials and documents submitted in response to this solicitation become the property of the City and will not be returned.



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8. EXCEPTIONS:

Offeror must not take any exceptions to any terms, conditions or material requirements of this solicitation. Offers submitted with exceptions will be deemed non-responsive and disqualified from further consideration. Offerors must conform to all the requirements specified in the solicitation. The City encourages Offerors to ask the procurement officer questions rather than including exception in their Offer.

If a Offeror has exceptions based on the scope then Offeror must include a list of exceptions to the requirements of the solicitation and attachment documents, if any, stated on a separate page labeled “Exceptions Statement.” Offeror must identify the reason for the requested change, provide alternate language and provide an explanation.

It is the intent of the City to award a contract on a fair, competitive basis. For this reason, the City may view any “Exception” in response to any material conditions or requirement of the solicitation, as an attempt by the Offeror to vary the terms of the solicitation which, in fact, may result in giving the Offeror an unfair advantage. For this reason, the City will, at its option, not allow exceptions to any material requirement if, in the opinion of the City, the exceptions alter the overall intent of the solicitation, unless the exception would be of material benefit to the City. Additionally, the City may, at its option, deem any submittal non-responsive based on exceptions by the Offeror.

9. INQUIRIES:


All questions that arise relating to this solicitation should be directed to the procurement officer on the solicitation cover page.

To be considered, written inquiries must be received at the address on the cover page by the submittal time. Written inquiries may be emailed to the address on the cover page. Inquiries received will then be answered in an addendum.

No informal contact initiated by Offerors on the proposed service will be allowed with members of City’s staff from date of distribution of this solicitation until after the closing date and time for the submission of offers. All questions concerning or issues related to this solicitation must be presented in writing.

10. ADDENDA:

The City of Phoenix will not be responsible for any oral instructions made by any employees or officers of the City of Phoenix in regard to the offering instructions, plans, drawings, specifications, or contract documents. Any changes to the plans, drawings and specifications will be in the form of an addendum. The Offeror must

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acknowledge receipt of any/all addendum by signing and returning the addenda document with the offer submittal.

11. LICENSES:

If required by law for the operation of the business or work related to this Offer, Offeror must possess all valid certifications and/or licenses as required by federal, state or local laws at the time of submittal.

12. CERTIFICATION:

By signature in the offer section of the Affidavit page, Offeror certifies:

- The submission of the offer did not involve collusion or other anti-competitive practices.
- The Offeror must not discriminate against any employee, or applicant for employment in violation of Federal or State Law. The Offeror has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted offer.

13. SUBMISSION OF OFFER:

Offers must be in possession of the Department on or prior to the exact time and date indicated in the Schedule of Events on the cover page. Late offers will not be considered. The prevailing clock will be the Department clock. Offers must be submitted in a sealed envelope and the following information should be noted on the outside of the envelope:

- Offeror's Name
- Offeror's Address (as shown on the Affidavit Page)
- Solicitation Number
- Solicitation Title

All offers must be completed in ink or typewritten. Include the number of copies that are required as indicated in the Submittal section.

14. WITHDRAWAL OF OFFER:

At any time prior to the solicitation due date and time, a Offeror (or designated representative) may withdraw the offer by submitting a request in writing and signed by a duly authorized representative. Facsimiles, telegraphic or mailgram withdrawals will not be considered. Withdrawals may not be made after the proposal due date.

15. OFFER RESULTS:

Offers will be opened on the offer due date, time and location indicated in the Schedule of Events. Offers and other information received in response to the



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solicitation will be shown only to authorized City personnel having a legitimate interest in them or persons assisting the City in the evaluation. Offers are not available for public inspection until after the City has posted the award recommendation on the City's website.

16. PRE-AWARD QUALIFICATIONS:

16.1. Offeror must have been in operation a minimum of ten (10) years. The Offeror's normal business activity during the past 10 years will have been for providing complete recordkeeping services listed in this solicitation. (This information must be provided in The Submittal section. Years in Business and Customer Reference Listing of this solicitation.) In addition, the Offeror must possess the ability to perform the Scope of Work set forth in Exhibit A of Section II.

16.2. Upon notification of an award the Offeror will have seven (7) business days to submit a complete certificate of insurance in the minimum amounts and the coverages as required in the Insurance Requirements of this solicitation. Insurance requirements are non-negotiable.

17. AWARD OF CONTRACT:

Unless otherwise indicated, award(s) will be made to the most responsive, responsible Offeror(s) who are regularly established in the service contained in this solicitation and who have demonstrated the ability to perform the required service in an acceptable manner.

Factors that will be considered by the City include:

- Technical capability of the Offeror to accomplish the scope of work required in the Solicitation. This includes performance history on past and current government or industrial contracts; and,
- Demonstrated availability of the necessary manpower (both supervisory and operational personnel) and necessary equipment to accomplish the scope of work in the Solicitation; and,
- Safety record; and,
- Vendor history of performance and termination for convenience or cause.

Notwithstanding any other provision of this solicitation, the City reserves the right to: (1) waive any immaterial defect or informality; or (2) reject any or all offers or portions thereof; or (3) reissue a solicitation.

18. CITY'S RIGHT TO DISQUALIFY FOR CONFLICT OF INTEREST:

The City reserves the right to disqualify any Offeror on the basis of any real or apparent conflict of interest that is disclosed by the offer submitted or any other data available to the City. This disqualification is at the sole discretion of the City. Any Offeror submitting an offer herein waives any right to object now or at any future time, before anybody or agency, including but not limited to, the City Council of the



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City of Phoenix or any court.

19. SOLICITATION TRANSPARENCY POLICY:

- 19.1.** Commencing on the date and time a solicitation is published, potential or actual offerors or respondents (including their representatives) shall only discuss matters associated with the solicitation with the Mayor, any members of City Council, the City Manager, any Deputy City Manager, or any department director directly associated with the solicitation (including in each case their assigned staff, except for the designated procurement officer) at a public meeting, posted under Arizona Statutes, until Agreement(s) are awarded to all offers or responses are rejected and the solicitation is cancelled without any announcement by the Procurement Officer of the City's intent to reissue the same or similar solicitation. As long as the solicitation is not discussed, Offerors may continue to conduct business with the City and discuss business that is unrelated to the solicitation with the City staff who is not involved in the selection process.
- 19.2.** Offerors may discuss their proposal or the solicitation with the Mayor or one or more members of the Phoenix City Council, provided such meetings are scheduled through the Procurement Officer, and are posted as open meetings with the City Clerk at least 24 hours prior to the scheduled meetings. The City Clerk will be responsible for posting the meetings. The posted notice shall identify the participants and the subject matter, as well as invite the public to participate.
- 19.3.** With respect to the selection of the successful Offerors, the City Manager and/or City Manager's Office will continue the past practice of exerting no undue influence on the process. In all solicitations of bids and proposals, any direction on the selection from the City Manager and/or City Manager's Office and Department Head (or representative) to the proposal review panel or selecting authority must be provided in writing to all prospective Offerors.
- 19.4.** This policy is intended to create a level playing field for all Offerors, assure that contracts are awarded in public, and protect the integrity of the selection process. **PROPOSERS THAT VIOLATE THIS POLICY SHALL BE DISQUALIFIED.** After official Notice is received by the City for disqualification, the Proposer may follow the Protest process, unless the Solicitation is cancelled without notice of intent to re-issue.
- 19.5.** "To discuss" means any contact by the proposer, regardless of whether the City responds to the contact. Offerors that violate this policy shall be disqualified until Agreement(s) are awarded, or all offers or responses are rejected and the solicitation is cancelled without any announcement by the Procurement Officer of the City's intent to reissue the same or a similar solicitation. The City interprets the policy as continuing through a cancellation of a solicitation until Council award of the contract, as long as the City cancels with a statement that the City will rebid the solicitation.



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20. PROTEST PROCESS:

- 20.1.** Offeror may protest the contents of a solicitation no later than seven days before the solicitation deadline when the protest is based on an apparent alleged mistake, impropriety or defect in the solicitation. Protests filed regarding the solicitation may be addressed by an amendment to the solicitation or denied by the City. If denied, the opening and award will proceed unless the City determines that it is in the City's best interests to set new deadlines, amend the solicitation, cancel or re-bid.
- 20.2.** Therefore, unless otherwise notified by a formal amendment, the Protester must adhere to all solicitation dates and deadlines, including timely filing of an offer, regardless of filing a protest.
- 20.3.** Offeror may protest an adverse determination issued by the City regarding responsibility and responsiveness, within seven days of the date the Offeror was notified of the adverse determination.
- 20.4.** Offeror may protest an award recommendation if the Offeror can establish that it had a substantial chance of being awarded the contract and will be harmed by the recommended award. The City will post recommendations to award the contract(s) to an Offeror on the City's website. Offeror must submit award protests within seven days after the posting of the award recommendation, with exceptions only for good cause shown, within the City's full and final discretion.
- 20.5.** All protests will be in writing, filed with the Procurement Officer identified in the solicitation, and include the following:
- Identification of the solicitation number;
 - The name, address and telephone number of the protester
 - A detailed statement describing the legal and factual grounds for the protest, including copies of relevant documents;
 - The form of relief requested; and
 - The signature of the protester or its authorized representative.
- 20.6.** The Procurement Officer will render a written decision within a reasonable period after the protest is filed. The City will not request City Council authorization to award the contract until the protest process is complete. All protests and appeals must be submitted in accordance with the City's Procurement Code, (Phoenix City Code, Ch. 43), and administrative regulations and any protests or appeals not submitted within the time requirements will not be considered.

21. PUBLIC RECORD:

All Offers submitted in response to this invitation will become the property of the City and become a matter of public record available for review pursuant to Arizona State law. If a Offeror believes that a specific section of its Offer response is confidential, the Offeror will isolate the pages marked confidential in a specific and clearly labeled



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section of its Offer response. A Offeror may request specific information contained within its Offer is treated by the Procurement Officer as confidential provided the Offeror clearly labels the information “confidential.” To the extent necessary for the evaluation process, information marked as “confidential” will not be treated as confidential. Once the procurement file becomes available for public inspection, the Procurement Officer will not make any information identified by the Offerors as “confidential” available to the public unless necessary to support the evaluation process or if specifically requested in accordance with applicable public records law. When a public records request for such information is received, the Procurement Officer will notify a Offeror in writing of any request to view any portion of its Offer marked “confidential.” The Offeror will have the time set forth in the notice to obtain a court order enjoining such disclosure. If the Offeror does not provide the Procurement Officer with a court order enjoining release of the information during the designated time, the Procurement Officer will make the information requested available for inspection.

22. LATE OFFERS:

Late Offers must be rejected, except for good cause. If a late Offer is submitted, the Department will document the date and time of the submittal of the late Offer, keep the Offer and notify the Offeror that its Offer was disqualified for being a late Offer.

23. RIGHT TO DISQUALIFY:

The City reserves the right to disqualify any Offeror who fails to provide information or data requested or who provides materially inaccurate or misleading information or data. The City further reserves the right to disqualify any Offeror on the basis of any real or apparent conflict of interest that is disclosed by the Offeror submitted or any other data or information available to the City. This disqualification is at the sole discretion of the City. By submission of a solicitation response, the Offeror waives any right to object now or at any future time, before any agency or body including, but not limited to, the City Council of the City or any court as to the exercise by the City of such right to disqualify or as to any disqualification by reason of real or apparent conflict of interest determined by the City. The City reserves the right to replace the disqualified Offeror.

24. CONTRACT AWARD:

The City reserves the right to award a contract by individual line items, by group, all or none, or any other combination most advantageous to the City.

25. EVALUATION OF COMPETITIVE SEALED OFFERS:

The City will use its discretion in applying the following processes to this solicitation. Any ties in scoring will be resolved with a best and final price request and the lowest price will prevail.



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26. DETERMINING RESPONSIVENESS AND RESPONSIBILITY:

- 26.1.** Offers will be reviewed for documentation of minimum qualifications, completeness, and compliance with the Solicitation requirements. The City reserves sole discretion to determine responsiveness and responsibility.
- 26.2.** Responsiveness: Nonresponsive Offers will not be considered in the evaluation process. The solicitation states criteria that determine responsiveness, and the solicitation includes terms and conditions that if included or excluded from Offers (as the case may be) will render an Offer nonresponsive.
- 26.3.** Exceptions, conditions, reservations, or understandings are presumed to be unacceptable, and an Offer that includes unacceptable exceptions, conditions, reservations, or understandings may be rejected as nonresponsive. Alternatively, the City in its sole discretion may instruct in writing that any Offeror remove the conditions, exceptions, reservations or understandings. If the Offeror fails to do so in writing, the City may determine the Offer to be nonresponsive.
- 26.4.** Responsibility: To obtain true economy, the City must conduct solicitations to minimize the possibility of a subsequent default by the contractor, late deliveries, or other unsatisfactory performance that may result in additional administrative costs. It is important that the Offeror be a responsible contractor. Responsibility includes the Offeror's integrity, skill, capacity, experience, and facilities for conducting the work to be performed.
- 26.5.** The Procurement Officer, in consultation with legal counsel, will review each Offer to determine if the Offeror is responsible. The City's determination as to whether an Offeror is responsible will be based on the information furnished by the Offeror, interviews (if any), any information at the City's request, information in any best and final offer, and information received from Offeror's references, including information about Offeror's past history, terminations for convenience or cause, contract breach lawsuits or notices of claim and any other sources the City deems appropriate. Award of the Contract resulting from the Solicitation will not be made until any necessary investigation, which each Offeror agrees to permit by submitting its Offer, is made by the City as it deems necessary. A review of responsibility may occur up to contract award.
- 26.6.** The Offeror's unreasonable failure to promptly supply information in connection with an inquiry with respect to responsibility may be grounds for a determination of non-responsibility with respect to such Offeror.



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27. DETAILED EVALUATION OF OFFERS AND DETERMINATION OF COMPETITIVE RANGE:

During deliberations, the Evaluation Panel will reach a consensus score for each evaluation criterion except price. The Procurement Officer will score the price, which will be added to the overall consensus score. The overall consensus scores will determine the Offerors' rankings and which Offers are within the Competitive Range, when appropriate.

28. OFFERS NOT WITHIN THE COMPETITIVE RANGE:

The City may notify Offerors of Offers that the City determined are not in the Competitive Range.

29. DISCUSSIONS WITH OFFERORS IN THE COMPETITIVE RANGE:

29.1. The City will notify each Offeror whose Offer is in the Competitive Range or made the 'short list' and provide in writing any questions or requests for clarification to the Offeror. Each Offeror so notified may be interviewed by the City and asked to discuss answers to written or oral questions or provide clarifications to any facet of its Offer. The Offerors in the competitive range may be required to provide a demonstration of their product.

29.2. Demonstrations - Offerors in the competitive range may be invited to construct a hands-on sample or presentation of their solution at the City of Phoenix. In addition, each finalist may prepare and deliver a presentation of their proposed solution based on the script developed by the evaluation panel. The City may also require a hands-on lab demonstration designed specifically for the evaluation panel. The results of the surveys will be tabulated and delivered to the evaluation team for the final review and solution selection session(s).

29.3. If an Offer in the Competitive Range contains conditions, exceptions, reservations or understandings to or about any Contract or Solicitation requirement, the City may discuss or negotiate the conditions, exceptions, reservations or understandings during these meetings. But the City in its sole discretion may reject any and all conditions, exceptions, reservations and understandings, and the City may instruct any Offeror to remove the conditions, exceptions, reservations or understandings. If the Offeror fails to do so, the City may determine the Offer is nonresponsive, and the City may revoke its determination that the Offer is in the Competitive Range.

29.4. To the fullest extent permitted by law, the City will not provide any information, financial or otherwise, to any Offeror about other Offers received in response to this solicitation. During discussions with Offerors in the Competitive Range, the City will not give Offerors specific prices or specific financial requirements that Offerors must meet to qualify for further consideration. The City may state that proposed prices are too high with respect to the marketplace or otherwise



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unacceptable. Offerors will not be told of their relative rankings before Contract award.

30. BEST AND FINAL OFFERS (BAFO):

- 30.1.** A BAFO is an option available for negotiations. Each Offeror in the Competitive Range, which is determined in the City's sole discretion, may be afforded the opportunity to amend its Offer and make one BAFO.
- 30.2.** If an Offeror's BAFO modifies its initial Offer, the modifications must be identified in the BAFO. The City will evaluate BAFOs based on the same requirements and criteria applicable to initial Offers. The City will adjust appropriately the initial scores for criteria that have been affected by Offer modifications made by a BAFO. Based on the criteria defined in the solicitation as weighted, the City will then perform final scoring and prepare final rankings.
- 30.3.** The Evaluation Panel will recommend the Offer that is the best value and most advantageous to the City based on the evaluation criteria.
- 30.4.** The City reserves the right to make an award to an Offeror whose Offer is the highest rated, best value, and most advantageous to the City based on the evaluation criteria, without conducting written or oral discussions with any Offeror, without negotiations, and without soliciting BAFOs.



**SECTION II – PROFESSIONAL SERVICES
CONSULTING AGREEMENT**

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SECTION II – PROFESSIONAL SERVICES CONSULTING AGREEMENT

**THIRD PARTY RECORDKEEPER
PROFESSIONAL SERVICES CONSULTING AGREEMENT**

Professional Services

Consulting Agreement

AGREEMENT NO.

Adriana Phillips, Procurement Officer
City of Phoenix Human Resources Department
251 W Washington Street, 7th Floor
Phoenix, Arizona 85003
Telephone: (602) 534-1676
Adriana.phillips@phoenix.gov
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CITY OF PHOENIX

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PROFESSIONAL SERVICES CONSULTING AGREEMENT

BETWEEN

THE CITY OF PHOENIX

LEGAL NAME OF CONTRACTOR

This **AGREEMENT** is made and entered into this Day of Month, 2020, (“the Effective Date”), or as of the City Clerk date, whichever is later, by and between the City of Phoenix, Arizona, a municipal corporation of the State of Arizona (hereinafter referred to as “City”) and Legal name of contractor, (hereinafter referred to as “Contractor”).

RECITALS

1. The City Manager of the City of Phoenix, Arizona, is authorized by the provisions of the City Charter to execute agreements for professional services.
2. The City desires to obtain the services that are specifically set forth in this Agreement.
3. The City procured these professional services in accordance with the Phoenix City Code and Administrative Regulation 3.10.
4. Contractor possesses the skills and expertise necessary to provide such services as desired by the City.
5. This Agreement is authorized by the City Council (Ordinance Number and Agenda Number if applicable) Date.

NOW, THEREFORE, it is agreed by and between the parties as follows:

1. TERM OF AGREEMENT:

- 1.1. This Agreement begins on the Effective Date in the above introductory paragraph, and upon approval by the City, for a period of five (5) years. This Agreement will terminate upon the earliest occurrence of any of the following:
 - 1.2. reaching the end of the term exercised as set forth in 1.1;
 - 1.3. completing the services set forth in the Scope of Work attached as *EXHIBIT A – SCOPE OF WORK* (the “Services”);
 - 1.4. payment of the maximum compensation under Paragraph 2 of this Agreement;
- or



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1.5. termination pursuant to the provisions of this Agreement.

2. PAYMENT

Contractor will be compensated in compliance with the Fee Schedule set forth in Exhibit B.

3. SCOPE OF WORK AND SPECIAL TERMS AND CONDITIONS:

Contractor will provide consulting services that will be in accordance with the Scope of Work as set forth in *EXHIBIT A – SCOPE OF WORK*, which may be supplemented with additional detail from time to time during the term of the Agreement, and that are satisfactory to the City. In performing these services, Contractor will also specifically comply with the applicable Supplemental Terms and Conditions that are set forth in *EXHIBIT E*. Contractor will provide monthly and quarterly reports to the respective Trustees according to a mutually agreed-upon schedule.

4. EXHIBIT C - INDEMNIFICATION & INSURANCE REQUIREMENTS - see EXHIBIT C

5. LAWFUL PRESENCE REQUIREMENT:

Pursuant to A.R.S. §§ 1-501 and -502, the City of Phoenix is prohibited from awarding a contract to any natural person who cannot establish that he or she is lawfully present in the United States. In order to establish lawful presence, this person must produce qualifying identification and sign a City-provided affidavit affirming that the identification provided is genuine. This requirement will be imposed at the time of contract award. In the event the prevailing responder is unable to satisfy this requirement, the City will offer the award to the next-highest scoring responder. The law does not apply to fictitious entities such as corporations, partnerships and limited liability companies.

6. INDEPENDENT CONTRACTOR STATUS; EMPLOYMENT DISCLAIMER.

6.1 The parties agree that Contractor is providing the Services under this Agreement on a part-time and/or temporary basis and that the relationship created by this Agreement is that of independent contractors. Neither Contractor nor any of Contractor's agents, employees or helpers will be deemed to be the employee, agent, or servant of the City. The City is only interested in the results obtained under this Agreement; the manner, means and mode of completing the same are under the sole control of Contractor.

6.2 This Agreement is not intended to constitute, create, give rise to, or otherwise recognize a joint venture, partnership or formal business association or organization of any kind, and the rights and obligations of the parties will be only those expressly set forth in this Agreement. The parties agree that no



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individual performing under this Agreement on behalf of Contractor will be considered a City employee, and that no rights of City Civil Service, City retirement or City personnel rules will accrue to such individual. Contractor will have total responsibility for all salaries, wages, bonuses, retirement, withholdings, worker's compensation, other employee benefits, and all taxes and premiums appurtenant thereto concerning such individuals and will save and hold harmless the City with respect thereto.

7. LEGAL WORKER REQUIREMENTS:

7.1 The City is prohibited by Arizona Revised Statutes § 41-4401 from awarding an agreement to any Contractor who fails, or whose subcontractors fail, to comply with Arizona Revised Statutes § 23-214(A). Therefore, Contractor agrees that:

- Contractor and each subcontractor it uses warrants their compliance with all federal immigration laws and regulations that relate to their employees and their compliance with Arizona Revised Statutes § 23-214, subsection A.
- A breach of warranty herein will be deemed a material breach of the Agreement and is subject to penalties up to and including termination of the Agreement.
- The City retains the legal right to inspect the papers of the Contractor or subcontractor employee(s) who work(s) on this Agreement to ensure that Contractor or subcontractor is complying with the warranty herein.

8. CONFIDENTIALITY AND DATA SECURITY (Involving PII or PCI or financial information)

8.1. All data, regardless of form, including originals, images and reproductions, prepared by, obtained by, or transmitted to Consultant in connection with this Agreement is confidential, proprietary information owned by the City. Except as specifically provided in this Agreement, the Consultant shall not disclose data generated in the performance of the service to any third person without the prior written consent of the City Manager or his/her designee.

8.2. Personal identifying information, financial account information, protected health information, or restricted City information, whether electronic format or hard copy, must be secured and protected at all times to avoid unauthorized access. At a minimum, Consultant must encrypt and/or password-protect electronic files. This includes data saved to laptop computers, computerized devices, handheld devices, networking devices, removable storage devices, or other electronic media, as well as data in transit, such as during email or file transfer.

8.3. When personal identifying information, financial account information, protected health information, or restricted City information, regardless of its format, is no longer necessary, the information must be redacted or destroyed through



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appropriate and secure methods that ensure the information cannot be viewed, accessed, or reconstructed. Consultant must properly dispose of such information by taking reasonable measures to protect against unauthorized access to or use of the information in connection with its disposal. This includes implementing and monitoring compliance with policies and procedures that require the redaction, destruction, erasure, or other disposal of paper documents and electronic media containing personal identifying information, financial account information, protected health information, or restricted City information so that these types of information cannot practicably be read or reconstructed. Consultant will provide the City with its information security policies and procedures regarding the redaction, destruction, erasure, or other disposal of documents and information.

- 8.4.** In the event that data collected or obtained by the Consultant in connection with this Agreement is suspected to have been compromised, Consultant shall notify the contracting City department immediately. Consultant agrees to reimburse the City for any costs incurred by the City to investigate and respond to potential breaches of this data, including, where applicable, the cost of notifying individuals who may be impacted by the breach, attorneys' fees, and for any monetary damages or penalties the City is assessed. In case of a breach or critical breach of the City's information, it will be the City, not the Consultant, that will inform any and all individuals affected by any such breach. Only upon prior written consent of the City, or at the specific direction of the City, will the Consultant notify individuals affected by a breach or critical breach of the City's information.
- 8.5.** Consultant agrees that the City may assess or test the security of any applications, web services, or computerized systems created or provided by the Consultant that process, store, or transmit City information. If the City finds vulnerabilities that are rated medium or more critical by the Common Vulnerability Scoring System (CVSS) in these applications, web services, or computerized systems, the Consultant agrees to remediate the vulnerability at no cost to the City and within an agreed-upon timeframe not to exceed 90 days. To clarify, the Consultant must remediate found vulnerabilities in computerized systems they provide; Consultant is not liable for remediating any vulnerability found in the City's network or computing infrastructure used to support the applications, web services, or systems created or provided by the Consultant.
- 8.6.** Consultant agrees to abide by all current applicable legal and industry data security and privacy requirements. These include, but are not limited to, Arizona Revised Statutes §44-7501 — Notification of breach of security system; Arizona Revised Statutes §44-7601 — Discarding and disposing of records containing personal identifying information; Health Insurance Portability and Accountability Act of 1996 (HIPAA) Privacy and Security Rules; Health Information Technology for Economic and Clinical Health (HITECH) Act, and Payment Card Industry Data Security Standards.



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- 8.7. Consultant agrees to demonstrate that they have adequate controls and safeguards when they host or process personal identifying information, financial account information, protected health information, or restricted City information. This may be accomplished through a third-party audit utilizing a widely recognized auditing standard, such as Statement on Standards for Attestation Engagements (SSAE) No. 16, or through earning industry certification, such as ISO/IEC 27001.
- 8.8. By signing and entering this Agreement the Consultant specifically acknowledges that it is responsible for the security of cardholder data that Consultant possesses or otherwise stores, processes or transmits on behalf of the City. Additionally, you must provide to the City a copy of your written Notice to customers that you are responsible for the security of cardholder data that you obtain and otherwise store, process or transmit.
- 8.9. Consultant agrees to comply with all City information security and technology policies, standards, and procedures when accessing City networks and computerized systems whether onsite or remotely.
- 8.10. Consultant agrees that the requirements of this Section shall be incorporated into all subconsultant agreements entered into by the Consultant. It is further agreed that a violation of this Section shall be deemed to cause irreparable harm that justifies injunctive relief in court. A violation of this Section may at the City's discretion result in immediate termination of this Agreement without notice.
- 8.11. The obligations of Consultant under this Section shall survive the termination of this Agreement.

9. CONTACTS WITH THIRD PARTIES:

- 9.1 Contractor or its subcontractors will not contact third parties to provide any information in connection to the Services provided under this Agreement without the prior written consent of the City. Should Contractor or its subcontractors be contacted by any person requesting information or requiring testimony relative to the Services provided under this Agreement or any other prior or existing Agreement with the City, Contractor or its subcontractors will promptly inform the City giving the particulars of the information sought and will not disclose such information or give such testimony without the written consent of the City or court order. The obligations of Contractor and its subcontractors under this Section will survive the termination of this Agreement.
- 9.2 Contractor agrees that the requirements of this Section will be incorporated into all subcontractor agreements entered into by the Contractor. It is further agreed that a violation of this Section will be deemed to cause irreparable harm that justifies injunctive relief in court. A violation of this Section may result in immediate termination of this Agreement without notice.



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10. SBE/ DBE UTILIZATION:

The City extends to each individual, firm, vendor, supplier, contractor and subcontractor an equal economic opportunity to compete for City business and strongly encourages voluntary utilization of small and/or disadvantaged businesses to reflect both the industry and community ethnic composition. The use of such businesses is encouraged whenever practical.

11. AUDIT/RECORDS:

11.1. The City reserves the right, at reasonable times, to audit Contractor's books and records relative to the performance of service under this Agreement. All records pertaining to this Agreement will be kept on a generally accepted accounting basis for a period of five years following termination of the Agreement.

11.2. If, following an audit of this Agreement, the audit discloses the Contractor has provided false, misleading, or inaccurate cost and pricing data, and the cost discrepancies exceed 1% of the total Agreement billings, the Contractor will be liable for reimbursement of the reasonable, actual cost of the audit.

12. COMPLIANCE WITH LAWS:

Contractor will comply with all existing and subsequently enacted federal, state and local laws, ordinances, codes, and regulations that are, or become applicable to this Agreement. If a subsequently enacted law imposes substantial additional costs on Contractor, a request for an amendment may be submitted pursuant to this Agreement

13. AMENDMENTS:

Whenever an addition, deletion or alteration to the Services described in *EXHIBIT A – SCOPE OF WORK* substantially changes the Scope of Work thereby materially increasing or decreasing the cost of performance, a supplemental agreement must first be approved in writing by the City and Contractor before such addition, deletion or alteration will be performed. Changes to the Services may be made and the compensation to be paid to Contractor may be adjusted by mutual agreement, but in no event may the compensation exceed the amount authorized without further written authorization. It is specifically understood and agreed that no claim for extra work done or materials furnished by Contractor will be allowed except as provided herein, nor will Contractor do any work or furnish any materials not covered by this Agreement unless first authorized in writing. Any work or materials furnished by Contractor without prior written authorization will be at Contractor's risk, cost and expense, and Contractor agrees to submit no claim for compensation or reimbursement for additional work done or materials furnished without prior written authorization.



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14. NO ORAL ALTERATIONS:

No alteration or variation of the terms of this Agreement will be binding on the parties herein unless such alteration or variation is in writing and signed by each of the parties to this Agreement. No oral understanding or agreement not incorporated in this Agreement will be binding on any of the parties herein.

15. NOTICES:

15.1. Any notice, consent or other communication (“Notice”) required or permitted under this Agreement will be in writing and either: (1) delivered in person; (2) sent via e-mail, return receipt requested; (3) sent via facsimile transmission; (4) deposited with any commercial air courier or express delivery service; or (5) deposited in the United States mail, postage prepaid.

If to Contractor:

Legal name and address of contractor.

If to City:

Adriana Phillips, Procurement Officer
City of Phoenix Human Resources Department
Phoenix, Arizona 85003
Telephone: (602) 534-1676
Adriana.phillips@phoenix.gov

15.2. Notice will be deemed received: (1) at the time it is personally served; (2) on the day it is sent via e-mail; (3) on the day it is sent by facsimile transmission; (4) on the second day after its deposit with any commercial air courier or express delivery service; or (5) five business days after the Notice is deposited in the United States mail as above provided. Any time period stated in a Notice will be computed from the time the Notice is deemed received.

15.3. Notices sent by e-mail and facsimile transmission will also be sent by regular mail to the recipient at the above address. This requirement for duplicate Notice is not intended to change the effective date of the Notice sent by e-mail or facsimile transmission.

16. INTEGRATION:

This Agreement constitutes and embodies the full and complete understanding and agreement of the parties hereto and supersedes all prior understandings, agreements, discussions, proposals, bids, negotiations, communications, and correspondence, whether oral or written. No representation, promise, inducement or statement of intention has been made by any party hereto which is not embodied in this Agreement, and no party will be bound by or liable for any statement of intention



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not so set forth.

17. GOVERNING LAW; FORUM; VENUE:

This Agreement is executed and delivered in the State of Arizona, and the substantive laws of the State of Arizona (without reference to choice of law principles) will govern their interpretation and enforcement. Any action brought to interpret or enforce any provision of this Agreement that cannot be administratively resolved, or otherwise related to or arising from this Agreement, will be commenced and maintained in the state or federal courts of the State of Arizona, Maricopa County, and each of the parties, to the extent permitted by law, consents to jurisdiction and venue in such courts for such purposes.

18. FISCAL YEAR CLAUSE:

The City's fiscal year begins July 1st and ends June 30th each calendar year. The City may make payment for services rendered or costs encumbered only during a fiscal year and for a period of 60 days immediately following the close of the fiscal year, under the provisions of Arizona Revised Statutes §42-17108. Therefore, Contractor must submit billings for services performed or costs incurred prior to the close of a fiscal year within ample time to allow payment within this 60-day period.

19. TERMINATION OR SUSPENSION OF SERVICES:

19.1 City's Right to Terminate:

The City reserves the right to terminate this Agreement without cause, or to abandon the Services, or any part of the Services not then completed, by notifying Contractor in writing. Immediately upon receiving a written notice to terminate or suspend Services, Contractor will:

- Discontinue advancing the work in progress, or such part that is described in the notice.
- Deliver to the City all collected raw data, draft reports, preliminary reports, working papers, estimates and forecasts entirely or partially completed, together with all unused materials supplied by the City.
- Appraise the work it has completed and submit its appraisal to the City for evaluation.
- Be paid in full the pro rata value for services performed to the date of its receipt of the Notice of Termination, including reimbursement for all reasonable costs and expenses incurred by Contractor in terminating the work, including demobilization of field service. No payment will be made for loss of **anticipated profits or unperformed services**.



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20. FINAL PAYMENT:

20.1 PAYMENT: The City will make final payment for all Services performed and accepted within 60 days after Contractor has delivered to the City any final progress reports, documentation, materials and evidence of costs and disbursement as required under this Agreement. Any use by the City of preliminary reports, raw data or other incomplete material returned by Contractor will be at the City's sole risk for such use.

20.2 TEMPORARY SUSPENSION: The City may, by written notice, direct Contractor to suspend performance on all or any part of the Services for such period of time as may be determined by the City to be necessary or desirable for its convenience. If such suspension causes additional expense to Contractor in performance, and not due to fault or negligence of Contractor, the payment will be adjusted on the basis of actual costs resulting directly from the suspension, and the period for performance of the Services will be extended by mutual agreement. Any claim by Contractor for a price adjustment must be supported by appropriate documentation asserted promptly after Contractor has been notified to suspend performance.

21. PROFESSIONAL COMPETENCY:

21.1. Qualifications: Contractor represents that it is familiar with the nature and extent of this Agreement, the Services, and any conditions that may affect its performance under this Agreement. Contractor further represents that it is fully experienced and properly qualified, is in compliance with all applicable license requirements, and is equipped, organized, and financed to perform such Services.

21.2. LEVEL OF CARE AND SKILL: Services provided by Contractor will be performed in a manner consistent with that level of care and skill ordinarily exercised by members of Contractor's profession currently practicing in the same industry under similar conditions. Acceptance or approval by the City of Contractor's work will in no way relieve Contractor of liability to the City for damages suffered or incurred arising from the failure of Contractor to adhere to the aforesaid standard of professional competence.

22. SPECIFIC PERFORMANCE:

Contractor agrees that in the event of a breach by Contractor of any material provision of this Agreement, the City will, upon proper action instituted by it, be entitled to a decree of specific performance thereof according to the terms of this Agreement. In the event the City will elect to treat any such breach on the part of Contractor as a discharge of the Agreement, the City may nevertheless maintain an action to recover damages arising out of such breach. This paragraph is not intended as a limitation of such other remedies as may be available to the City under law or equity.



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23. FORCE MAJEURE:

Contractor will not be responsible or liable for, or deemed in breach hereof because of any delay in the performance of its obligations hereunder to the extent caused by circumstances beyond its control, without its fault or negligence, and that could not have been prevented by the exercise of due diligence, including but not limited to fires, natural disasters, riots, wars, unavoidable and unforeseeable site conditions, failure of the City to provide data within the City's possession or to make necessary decisions or provide necessary comments in connection with any required reports prepared by Contractor in connection with the Services and the unforeseeable inability to obtain necessary site access, authorization, permits, licenses, certifications and approvals (such causes hereafter referred to as "Force Majeure").

24. DOCUMENTATION:

24.1 DISSEMINATION AND RETENTION: There will be no dissemination or publication of any information gathered, or documents prepared in the course of the performance of the Services without the prior written consent of the City. Should the City, upon advice of counsel, deem it necessary, due to existing or anticipated litigation, to assert a legal privilege of protection and non-disclosure with regard to the subject matter of this Agreement, then, and in that event, upon written demand, Contractor will relinquish to the possession and control of the City its entire file related to this Agreement and only those portions of said file deemed by the City to be not privileged will be returned to Contractor pending the resolution of the existing or anticipated litigation.

24.2 FORMAT AND QUALITY: All documents prepared by Contractor will be prepared in a format and at a quality approved by the City.

24.3 DOCUMENT REVIEW: Contractor will review all documents provided by the City related to the performance of the Services and will promptly notify the City of any defects or deficiencies discovered in such review.

24.4 SUBMITTALS: Contractor will provide timely and periodic submittals of all documents required of Contractor, including subcontracts, if any, as such become available to the City for review.

25. RELEASE OF INFORMATION - ADVERTISING AND PROMOTION:

Contractor will not publish, release, disclose or announce to any member of the public, press, official body, or any other third party: (1) any information concerning this Agreement, the Services, or any part thereof; or (2) any documentation or the contents thereof, without the prior written consent of the City, except as required by law. The name of any site on which Services are performed will not be used in any advertising or other promotional context by Contractor without the prior written consent of the City.



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26. CONFLICTS OF INTEREST:

- 26.1** Contractor acknowledges that, to the best of its knowledge, information and belief, no person has been employed or retained to solicit or secure this Agreement upon a promise of a commission, percentage, brokerage, or contingent fee, and that no member of the Phoenix City Council or any employee of the City has any financial interest in the consulting firm. For breach of violation of this warranty, the City will have the right to annul this Agreement without liability, including any such commission, percentage, brokerage or contingent fee.
- 26.2** The City reserves the right to immediately terminate the contract in the event that the City determines that Contractor has an actual or apparent conflict of interest.
- 26.3** Upon a finding by the City that gratuities in the form of entertainment, gifts or inducements were offered or given by Contractor, or any agent or representative of Contractor, to any officer or employee of the City for the purpose of securing this Agreement, or securing favorable treatment with respect to the awarding, amending, or making of any determination with respect to the performance of this Agreement, the City may, by one calendar day written notice to Contractor, terminate the right of Contractor to proceed under this Agreement, provided that the existence of the facts upon which the City made such finding will be an issue and may be litigated in an Arizona court of competent jurisdiction. In the event of such termination, the City will be entitled to the same remedies against Contractor as could be pursued in the event of default by Contractor.
- 26.4** This Agreement is subject to the requirements of Arizona Revised Statutes §38-511.

27. PUBLIC RECORDS:

- 27.1.** Notwithstanding any provisions of this Agreement regarding confidentiality, secrets, or protected rights, the Contractor acknowledges that all documents provided to the City may be subject to disclosure by laws related to open public records. Consequently, the Contractor understands that disclosure of some or all of the items subject to this Agreement may be required by law.
- 27.2** In the event City receives a request for disclosure that is reasonably calculated to incorporate information that might be considered confidential by Contractor, the City agrees to provide the Contractor with notice of that request, which shall be deemed given when deposited by the City with the USPS for regular delivery to the address of the Contractor specified in their proposal. Within ten days of City notice by the City, the Contractor will inform the City in writing of any objection by the Contractor to the disclosure of the requested information. Failure by the Contractor to object timely shall be deemed to waive any objection and any remedy against the City for disclosure.



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27.3 In the event the Contractor objects to disclosure within the time specified, the Contractor agrees to handle all aspects related to request, including properly communicating with the requestor and timely responding with information the disclosure of which the Contractor does not object thereto. Furthermore, the Contractor agrees to indemnify and hold harmless the City from any claims, actions, lawsuits, or any other controversy or remedy, in whatever form, that arises from the failure to comply with the request for information and the laws pertaining to public records, including defending the City in any legal action and payment of any penalties or judgments. This provision shall survive the termination of this Agreement.

28. CLAIMS OR DEMANDS AGAINST THE CITY:

28.1 Contractor acknowledges and accepts the provisions of Chapter 18, Section 14 of the Charter of the City of Phoenix, pertaining to claims or demands against the City, including provisions therein for set-off of indebtedness to the City against demands on the City, and Contractor agrees to adhere to the prescribed procedure for presentation of claims and demands. Nothing in Chapter 18, Section 14 of the Charter of the City of Phoenix alters, amends or modifies the supplemental and complementary requirements of the State of Arizona Notice of Claim statutes, Arizona Revised Statutes §§ 12-821 and 12-821.01, pertaining to claims or demands against the City. If for any reason it is determined that the City Charter and state law conflict, then state law will control.

28.2 Moreover, nothing in this Agreement will constitute a dispute resolution process, an administrative claims process, or contractual term as used in Arizona Revised Statutes § 12-821.01(C), sufficient to affect the date on which the cause of action accrues within Arizona Revised Statutes § 12-821.01(A) and (B).

29. WAIVER OF CLAIMS FOR ANTICIPATED PROFITS:

Contractor waives any claims against the City and its officers, officials, agents and employees for loss of anticipated profits caused by any suit or proceeding, directly or indirectly, involving any part of this Agreement.

30. CONTINUATION DURING DISPUTES:

30.1 Contractor agrees as a condition of this Agreement that in the event of any dispute between the parties, provided no Notice of Termination has been given by the City, and if it is feasible under the terms of this Agreement each party will continue to perform the obligations not related to the dispute required of it during the resolution of such dispute, unless enjoined or prohibited by a court of competent jurisdiction.

30.2 Failure or delay by either party to exercise any right, power or privilege specified in or appurtenant to this Agreement will not be deemed a waiver.



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31. THIRD PARTY BENEFICIARY CLAUSE:

The parties expressly agree that this Agreement is not intended by any of its provisions to create any right of the public or any member thereof as a third-party beneficiary nor to authorize anyone not a party to this Agreement to maintain a suit for personal injuries or property damage pursuant to the terms or provisions of this Agreement.

32. EQUAL EMPLOYMENT OPPORTUNITY AND PAY:

32.1 In order to do business with the city, contractor must comply with Phoenix City Code, 1969, Chapter 18, Article V, as amended, Equal Employment Opportunity requirements. Contractor will direct any questions in regard to these requirements to the equal opportunity department, (602) 262-6790.

32.2 For a contractor with 35 employees or fewer: contractor in performing under this agreement shall not discriminate against any worker, employee or applicant, or any member of the public, because of race, color, religion, sex, national origin, age, or disability, nor otherwise commit an unfair employment practice. The contractor will ensure that applicants are employed, and employees are dealt with during employment without regard to their race, color, religion, sex, national origin, age, or disability. Such action shall include but not be limited to the following: employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training; including apprenticeship. The contractor further agrees that this clause will be incorporated in all subcontracts related to this agreement that involve furnishing skilled, unskilled and union labor, or who may perform any such labor or services in connection with this agreement. Contractor further agrees that this clause will be incorporated in all subcontracts, contractor agreements or subleases of this agreement entered into by supplier/lessee.

32.3 For a contractor with more than 35 employees: Contractor in performing under this agreement shall not discriminate against any worker, employee or applicant, or any member of the public, because of race, color, religion, sex, national origin, age, or disability, nor otherwise commit an unfair employment practice. The contractor will ensure that applicants are employed, and employees are dealt with during employment without regard to their race, color, religion, sex, national origin, age, or disability, and shall adhere to a policy to pay equal compensation to men and women who perform jobs that require substantially equal skill, effort, and responsibility, and that are performed within the same establishment under similar working conditions. Such action shall include but not be limited to the following: employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training; including



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apprenticeship. The contractor further agrees that this clause will be incorporated in all subcontracts with all labor organizations furnishing skilled, unskilled and union labor, or who may perform any such labor or services in connection with this contract. Contractor further agrees that this clause will be incorporated in all subcontracts, job-contractor agreements or subleases of this agreement entered into by supplier/lessee. The contractor further agrees not to discriminate against any worker, employee or applicant, or any member of the public, because of sexual orientation or gender identity or expression and shall ensure that applicants are employed, and employees are dealt with during employment without regard to their sexual orientation or gender identity or expression.

32.4 DOCUMENTATION: Suppliers and lessees may be required to provide additional documentation to the equal opportunity department affirming that a nondiscriminatory policy is being utilized.

32.5 MONITORING: The Equal Opportunity Department shall monitor the employment policies and practices of suppliers and lessees subject to this article as deemed necessary. The Equal Opportunity Department is authorized to conduct on-site compliance reviews of selected firms, which may include an audit of personnel and payroll records, if necessary.

33. CONTRACT INTERPRETATION:

33.1 APPLICABLE LAW:

This Contract will be governed by the law of the State of Arizona, and suits pertaining to this Contract will be brought only in Federal or State courts in Maricopa County, State of Arizona.

33.2 CONTRACT ORDER OF PRECEDENCE: In the event of a conflict in the provisions of the Contract, as accepted by the City and as they may be amended, the following will prevail in the order set forth below:

33.2.1 DCP/PEHP Plans

33.2.2 Exhibit E Special terms and Conditions

33.2.3 Section II Agreement Standard terms and conditions

33.2.4 Exhibit A Statement or Scope of Work

33.2.5 Exhibit C Insurance and Indemnification Terms

33.2.6 Exhibit B Fee Schedule

33.3 ORGANIZATION – EMPLOYMENT DISCLAIMER: The Agreement resulting hereunder is not intended to constitute, create, give rise to or otherwise recognize a joint venture agreement or relationship, partnership or formal business organization of any kind, and the rights and obligations of the parties will be only those expressly set forth in the agreement. The parties agree that no persons supplied by the Contractor in the performance of Contractor's obligations under the agreement are considered to be City's employees and that no rights of City civil service, retirement or personnel rules accrue to such persons. The Contractor will have total responsibility for all salaries, wage



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bonuses, retirement, withholdings, workmen's compensation, occupational disease compensation, unemployment compensation, other employee benefits and all taxes and premiums appurtenant thereto concerning such persons, and will save and hold the City harmless with respect thereto.

33.4 SEVERABILITY: The provisions of this Contract are severable to the extent that any provision or application held to be invalid will not affect any other provision or application of the contract which may remain in effect without the invalid provision or application.

33.5 NON-WAIVER OF LIABILITY: The City of Phoenix as a public entity supported by tax monies, in execution of its public trust, cannot agree to waive any lawful or legitimate right to recover monies lawfully due it. Therefore, any Contractor agrees that it will not insist upon or demand any statement whereby the City agrees to limit in advance or waive any right the City might have to recover actual lawful damages in any court of law under applicable Arizona law.

33.6 PAROL EVIDENCE: This Agreement is intended by the parties as a final expression of their agreement and is intended also as a complete and exclusive statement of the terms of this agreement. No course of prior dealings between the parties and no usage in the trade will be relevant to supplement or explain any term used in this Contract. Acceptance or acquiescence in a course of performance rendered under this contract will not be relevant to determine the meaning of this Contract even though the accepting or acquiescing party has knowledge of the nature of the performance and opportunity to object.



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34. APPROVALS

IN WITNESS WHEREOF, the parties herein have caused this Agreement to be executed, effective as of the date in the first paragraph (the “Effective Date”);

CITY OF PHOENIX, a municipal corporation

ED ZUERCHER, City Manager

By: _____

Name

Title

ATTEST:

Date: _____

City Clerk

APPROVED AS TO FORM:

Acting City Attorney

If your company is a corporation:

Name of company Corporation

a State corporation

By: _____

Name



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Title, (President and CEO, etc.)

If your company is a Limited Liability with Individual Members:

Name of company, LLC,

a State limited liability company

By: _____

Name

Member

By: _____

Name

Member

If your company is a Limited Liability with Individual Manager:

Name of company, LLC,

a State limited liability company

By: _____

Name

Manager

If your company is a Limited Liability with the Member or Manager is a Corporation:



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Name of company, LLC,

a State limited liability company

Its Manager (Member)

By: _____

Name

President

If your company is a Limited Liability with the Member or Manager is a General Partnership:

Name of company, LLC,

a State limited liability company

Its Manager (Member)

By: _____

Name

an Arizona general partnership,

Its Manager or Managing General Partner



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EXHIBIT A – SCOPE OF WORK

1. BACKGROUND AND ASSET DATA

The City of Phoenix is a public agency with approximately 12,984 benefit eligible employees. Employees are paid bi-weekly through one centralized payroll system and payroll is run bi-weekly for a total of 26 pay periods. The City uses Oracle’s PeopleSoft for payroll processing. All active City employees participate in either the City of Phoenix Employees Retirement System (COPERS) or the Public Safety Personnel Retirement System (PSPRS).

The City currently uses Nationwide to provide basic administration, enrollment, participant communication and education, investment management and record keeping services. Nationwide serves as the non-discretionary provider of bundled third-party administrative and recordkeeping services for the City of Phoenix’s 457(b), 401(a), and Post Employment Health Plan (PEHP). Nationwide has served as the City’s chosen provider of the 457(b) and 401(a) Plans since 2004 and the PEHP since 2003. Nationwide currently administers the following items for each Plan type:

	457 Plan	401(a) Plan	HRA (PEHP)
Distribution requests	✓	✓	
Loan requests	✓		
Unforeseeable Emergencies (review and approval)	✓	✓	
Qualified Domestic Relations Orders (review and approval)	✓	✓	
Required Minimum Distributions	✓	✓	
Incoming rollovers	✓	✓	
Self-Directed Brokerage Option processing	✓	✓	



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	457 Plan	401(a) Plan	HRA (PEHP)
Claims Administration			✓

As of September 30, 2019, the Plans asset breakdown was as follows:

Plan Type	Assets
457 Deferred Compensation Plan	\$1,530,607,084
401 (a) Plan	\$542,590,001
PEHP Plans	\$156,374,098
Total assets across all Plans	\$2,236,146,819

Note, there are approximately 22,093 unique SSN's across all Plans.

There are 20,284 unique participants across the 457 and 401(a) Plans.

Below are four tables; one for each plan with data as of September 30, 2019.

457(b) Deferred Compensation Plan:

	As of 9/30/2019	2018	2017	2016
Total Assets (\$)	\$1,530,607,084	\$1,389,744,899	\$1,474,299,708	\$1,306,740,836
Total Participant Accounts (#)	18,134	15,328	14,788	14,210
Total Active (currently contributing) Accounts (#)	10,780	10,653	10,240	10,053
Total Deferrals (\$)	\$88,177,324	\$110,123,846	\$129,904,761	\$138,881,227
Total Roll-Ins (#)	158	187	282	410
Total Roll-Ins (\$)	\$4,469,973	\$5,504,822	\$19,967,174	\$39,649,066



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	As of 9/30/2019	2018	2017	2016
Total Contributions (\$)	\$92,647,298	\$115,628,660	\$149,871,936	\$178,530,294
Total Accounts in Systematic Distribution (#)	1,571	2,235	2,161	2,148
Total Systematic Distributions (\$)	\$5,705,943	\$8,657,303	\$7,805,074	\$7,585,135
Total Accounts with Lump Sum Distributions (#)	1,535	1,962	2,046	2,004
Total Lump Sum Distributions (\$)	\$27,797,732	\$32,746,341	\$42,351,913	\$39,758,427
Total Annuity Purchases (#)	N/A	N/A	N/A	N/A
Total Annuity Purchases (\$)	N/A	N/A	N/A	N/A
Total Transfers to Proprietary IRAs (#)	N/A	N/A	N/A	N/A
Total Transfers to Proprietary IRAs (\$)	N/A	N/A	N/A	N/A
Total Roll-Outs (#)	272	346	295	244
Total Roll-Outs (\$)	\$37,585,559	\$48,735,394	\$46,299,763	\$27,565,793
Total Distributions (#)	3,378	4,543	4,502	4,396
Total Distributions (\$)	\$71,086,234	\$90,139,038	\$96,456,750	\$74,909,355
Total NET Cash Flow (\$)	\$21,561,064	\$25,489,622	\$53,415,186	\$103,620,939
Total Hardship Withdrawals Requested (#)	164	353	282	175
Total Hardship	123	190	166	154



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	As of 9/30/2019	2018	2017	2016
Withdrawals Approved (#)				
Total Hardship Withdrawals Approved (\$)	\$469,394	\$688,758	\$636,615	\$645,694

*Not tracked

401(a) Defined Contribution Retirement Plan:

	As of 9/30/2019	2018	2017	2016
Total Assets (\$)	\$542,590,001	\$475,896,473	\$486,839,249	\$423,893,044
Total Participant Accounts (#)	17,831	17,294	16,087	15,002
Total Active (currently contributing) Accounts (#)	12,794	12,432	11,445	10,990
Total Deferrals (\$)	\$40,462,853	\$50,396,128	\$43,926,510	\$62,525,542
Total Roll-Ins (#)	9	28	59	88
Total Roll-Ins (\$)	\$1,694,808	\$2,992,998	\$5,111,812	\$27,493,591
Total Contributions (\$)	\$42,157,662	\$53,389,127	\$49,038,322	\$90,019,133
Total Accounts in Systematic Distribution (#)	470	772	662	614
Total Systematic Distributions (\$)	\$1,250,105	\$2,026,721	\$1,886,716	\$1,582,377
Total Accounts with Lump Sum Distributions (#)	776	945	942	888
Total Lump Sum Distributions (\$)	\$9,808,045	\$13,063,465	\$13,058,716	\$14,209,730
Total Annuity Purchases (#)	N/A	N/A	N/A	N/A



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	As of 9/30/2019	2018	2017	2016
Total Annuity Purchases (\$)	N/A	N/A	N/A	N/A
Total Transfers to Proprietary IRAs (#)	N/A	N/A	N/A	N/A
Total Transfers to Proprietary IRAs (\$)	N/A	N/A	N/A	N/A
Total Roll-Outs (#)	242	291	316	283
Total Roll-Outs (\$)	\$11,165,185	\$16,584,124	\$14,669,050	\$15,365,550
Total Distributions (#)	1,488	2,008	1,920	1,785
Total Distributions (\$)	\$22,223,335	\$31,674,310	\$29,614,482	\$31,157,657
Total NET Cash Flow (\$)	\$19,934,327	\$21,714,817	\$19,423,840	\$58,861,476
Total Hardship Withdrawals Requested (#)	0	0	0	0
Total Hardship Withdrawals Requested (\$)	0	0	0	0
Total Hardship Withdrawals Approved (#)	0	0	0	0
Total Hardship Withdrawals Approved (\$)	0	0	0	0

Post-Employment Health Plan (PEHP):

	As of 9/30/2019	2018	2017	2016
Total Assets (\$)	\$156,374,106	\$135,587,742	\$126,349,695	\$106,039,763
Total Participant Accounts (#)	11,656	10,866	9,996	9,907



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	As of 9/30/2019	2018	2017	2016
Total Active (currently contributing) Accounts (#)	8,359	8,194	7,559	6,981
Total Deferrals (\$)	\$11,094,300	\$14,042,100	\$13,093,200	\$11,889,542
Total Roll-Ins (#)	N/A	N/A	N/A	N/A
Total Roll-Ins (\$)	N/A	N/A	N/A	N/A
Total Contributions (\$)	\$11,094,300	\$14,042,100	\$13,093,200	11,889,542
Total Accounts in Systematic Distribution (#)	75	72	63	60
Total Systematic Distributions (\$)	\$209,936	\$286,884	\$220,483	\$169,658
Total Accounts with Lump Sum Distributions (#)	52	60	71	53
Total Lump Sum Distributions (\$)	\$69,871.20	\$77,422.39	\$76,678.38	\$77,029
Total Annuity Purchases (#)	N/A	N/A	N/A	N/A
Total Annuity Purchases (\$)	N/A	N/A	N/A	N/A
Total Transfers to Proprietary IRAs (#)	N/A	N/A	N/A	N/A
Total Transfers to Proprietary IRAs (\$)	N/A	N/A	N/A	N/A
Total Roll-Outs (#)	0	0	0	0
Total Roll-Outs (\$)	0	0	0	0
Total Distributions (#)	1,621	1,837	1,775	1,546
Total Distributions (\$)	\$897,000	\$1,154,351	\$1,081,439	\$918,199
Total NET Cash Flow (\$)	\$10,197,299	\$12,887,748	\$12,011,760	\$10,981,343



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	As of 9/30/2019	2018	2017	2016
Total Hardship Withdrawals Requested (#)	N/A	N/A	N/A	N/A
Total Hardship Withdrawals Requested (\$)	N/A	N/A	N/A	N/A
Total Hardship Withdrawals Approved (#)	N/A	N/A	N/A	N/A
Total Hardship Withdrawals Approved (\$)	N/A	N/A	N/A	N/A

Other Products:

Managed Accounts	Not offered
Life Insurance Policies	Not offered
Guaranteed Minimum Withdrawal Product	Not offered
Certificates of Deposit	Not offered
Roth Feature	457 Plan only

Self-Directed Brokerage Option:

As of 9/30/2019, there were 3,865 participants totaling \$422,700,904.71 in the Schwab Self-Directed Brokerage Account. See details below:

Plan	457(b) Plan	401(a) Plan	PEHP
Participant Count	2,468	1,397	N/A
Assets	\$308,764,915	\$113,935,989	N/A

Plan Loans:

The City of Phoenix currently offers both Primary Residence and General-Purpose Loans on the 457(b) Plan only. Nationwide administers all loans at the direction of the City. A participant may have one outstanding loan at a time. Loans are currently repaid through payroll deduction. All loan rules comply with IRS loan regulations.



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Total dollar amount of outstanding loans as of September 30, 2019:	\$3,532,857.28
Total number of outstanding loans as of September 30, 2019:	3,536
Total number of unique participants with outstanding loans:	4,842
Total number of loans in default:	684
Total dollar amount of loans in default:	\$6,317,761.61

Current Fees:

Participant Level Fees 457(b) Plan:

Service	Fee
Administrative Charge	Lessor of 0.069% or \$57/per participant*
Loan Initiation Fee	\$50
Annual Loan Maintenance Fee	\$35
Loan Default Fee	\$50
Self-Directed Brokerage Account Initiation Fee	\$25
Self-Directed Brokerage Account Annual Fee	\$25
Overnight Check Fee	\$25

2. ADMINISTRATION AND RECORD KEEPING

Contractor will provide third-party administrative and recordkeeping services, and investment products for the City’s DCP/PEHP Plans. All services listed below should be understood to apply only to the plans for which services are proposed.

2.1. The Contractor will process DCP/PEHP Plan deferrals and employer contributions in detail consistent with the terms of the Plans and the City’s payroll system, reconcile contribution amounts, and direct immediate investment of deferrals and contributions in accordance with participant and



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Board instructions. The Contractor's system will accommodate use of employer identification numbers assigned to the employee or retiree by the City as the primary identifier and social security number as a secondary identifier. All deferrals and contributions will be credited to participant accounts as of the day in which such deferrals or contributions are made available to the Contractor by the City regardless of the date on which the Contractor actually credits and makes available to the participant the deferrals and contributions. The Contractor will accomplish the crediting of participant accounts within one business day of the day in which deferrals or contributions are made available by the City in good order.

- 2.2.** The City will send employee and employer contributions and contribution data for the DCP Plans to the Contractor on a biweekly basis via wire transfer by the City's Finance Department Payroll Division. Contribution data is also sent electronically on a biweekly basis by the Contractor.
- 2.3.** The City will send employer PEHP contributions to the Contractor on a monthly basis in arrears via wire transfer by the City's Finance Department Financial Accounting and Reporting (FAR) Division based on contribution data provided by the City's Human Resources Department Benefits Division. PEHP contribution data is transmitted by the City's Human Resources Department Benefits Division via the Contractor's secure website.
- 2.4.** All work performed by the Contractor will conform to all applicable laws, regulations and rules as well as to acceptable industry standards and practices. The Contractor represents itself as an expert in administering governmental 457 deferred compensation, and 401(a) defined contribution plans, as well as post-employment health plans funded by trusts that qualify as VEBA's under Code Section 501(c)(9) and qualify as health reimbursement arrangements under Code Section 105 and 106, or similar plans, and acknowledges it is a fiduciary to the Board, to the City and the participants in its Plans.



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2.5. The Contractor will perform all administrative and record keeping functions necessary to ensure accurate accounting of the assets in each participant account and to provide for the efficient and prudent management of the Plans. These functions will include reconciling participant accounts to investment accounts, and converting records maintained under previous contracts covering the Plans, to records maintained by the Contractor. The Contractor will perform all necessary reconciliation under generally accepted accounting principles.

2.6. The Contractor will establish and maintain records for the Plans showing deferrals, contributions, payouts, transfers, accruals, and administrative costs, withdrawals, PEHP claims during the term of the Contract. The Contractor will also establish and maintain records of each participant's accounts under the Plans using employer identification numbers assigned to the employee or retiree by the City as the primary identifier and social security number as secondary identifier. The Contractor will update the value of participants' accounts daily using the most currently available Net Asset Value. Participant records will include the contributions, earnings, administrative costs, if any, withdrawals, authorizations, addresses, date of birth, social security number, employee identification number, beneficiary, and other related information.

2.7. The Contractor's records of the Plans will be maintained in accordance with generally accepted accounting principles, the most recent Governmental Accounting Standards Board Statements, the Plan Documents, the Internal Revenue Code and applicable Treasury regulations, and the City Ordinances and Administrative Regulations. Such records will be maintained in a format mutually agreed upon by the Contractor and the Board, and will be readily accessible and reproducible at the Phoenix Office. The Contractor will maintain contingency plans for system backup in the event of a disaster or malfunction.

2.8. The Contractor agrees that all records regarding the Plans will be the



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property of the City. Upon expiration or termination of Agreement, the Contractor will provide to the City records kept by the Contractor hereunder and all monies held by the Contractor within fifteen (15) calendar days of the City's request. The records and monies will be transmitted to the City or its designee pursuant to reasonable written instructions given by the City. The Contractor will also provide the City with a full written accounting of the status of each participant's accounts under the Plans.

- 2.9. Unforeseeable Emergency Withdrawal Requests.** The Contractor will apprise any participant who requests an unforeseeable emergency withdrawal (distribution) from their DCP assets of the applicable rules and will furnish the participant with the appropriate application form and instructions. The Contractor will be responsible for the review and processing of hardship distribution requests in accordance with applicable Internal Revenue Code provisions, Internal Revenue Service guidance and rules and applicable Treasury regulations, and Board policy.
- 2.10. Qualified Domestic Relations Orders (QDRO's).** The Contractor will receive domestic relations orders and will determine the qualified status of these orders based on the provisions of the City's DCP/PEHP Plans. The Contractor will be responsible for processing these based upon what has been specified by the court in the domestic relations order. The Contractor shall make available a QDRO template that participants may use with their personal counsel.
- 2.11. Plan Benefit Payments.** The Contractor will disburse benefits from assets under the Plans to participants in accordance with instructions given by the Board and in compliance with Plan Documents and applicable requirements of the Internal Revenue Code, Internal Revenue Service guidance, and applicable Treasury regulations, including appropriate withholding of taxes and reporting of distributions and Contractor is personally responsible for any claims, fines or penalties incurred for failure to do so. The Contractor will offer direct deposit services to participants electing periodic payments from



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their DCP/PEHP accounts.

- 2.12.** Purchase of Service Credits. The 457 and 401(a) Plans allow the transfer of funds for the purpose of purchasing service credits within the City's defined benefit retirement plan.
- 2.13.** The Contractor must provide trustee/custodial services for the Plans or arrange for trustee services with an outside party. Copies of the Plan documents may be viewed at www.phoenixdcp.com. Any additional costs for trustee/custodial services must be disclosed in the Contractor's Pricing Schedule.
- 2.14.** The Contractor will provide participants with quarterly statements of their accounts in a format approved by the Board. Statements will include the participant's name, address, and truncated social security number; the period covered by the statement; the beneficiary of record; and detailed reporting by investment option of beginning balance, transactions during the period, investment earnings or losses during the period, and ending balance. The Contractor will make quarterly statements available on the Internet for all participants. Email notification that statements are available to view will be sent to participants no later than fifteen (15) calendar days after the end of each calendar quarter. Paper quarterly statements will be issued to participants who opt out of electronic notification.
- 2.15.** The Contractor will provide participants with written confirmation of all transfers between investment options, deferral amount changes, and beneficiary changes.
- 2.16.** The Contractor will use its best efforts to maintain current addresses and contact information for all participants.
- 2.17.** The Contractor will be required to develop a plan for providing services to employees working non-traditional schedules and/or employees working in



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remote locations. This plan will be brought to the Board for review and approval no later than six months from the date of the contract award.

- 2.18.** Contractor must provide at least two (2) City of Phoenix personnel with the opportunity to visit Contractor's Home Office or key facilities at least every other year at the expense of the Contractor.

3. OFFICES

It is preferred the Contractor maintain an office within the city limits of Phoenix, Arizona that will enable the Contractor to fulfill its administrative, enrollment and service responsibilities under the Plans. If applicable, the office should be located no more than ten (10) driving miles from Phoenix City Hall and should provide a minimum of three (3) free parking spaces to participants in the immediate vicinity of the office, and will be ADA accessible. The office will be open at a minimum of 8:00 a.m. to 5:00 p.m., Monday through Friday, except for City holidays.

4. PERSONNEL

- 4.1.** The Contractor will provide qualified personnel to respond to participant services including enrollment, education, benefit payouts and withdrawals; to answer questions from participants as to account balances and other records maintained or generated by the Contractor unless otherwise directed by the City; to serve the administrative needs of the Plans and to otherwise fulfill its duties under the Agreement. The duties of the Contractor's personnel will include, but not be limited to, the following: provide information about the City's DCP/PEHP Plans (as applicable); provide information to participants related to financial planning including retirement income analysis; and assist participants in properly diversifying their portfolios and making qualified investment decisions using appropriate feedback and data from participants. All such personnel will possess any licenses required by any applicable statute or regulation and will be responsible for obtaining and maintaining such licenses. The City reserves the right to demand replacement of any representative of the Contractor for the performance of any duty under the Agreement.



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- 4.2. The Contractor will provide a proposed compensation structure for its personnel that exclude any bonus or commission that results in a conflict of interest between the Contractor’s personnel and the City and plan participants. The City reserves the right to provide final approval for any compensation structure for plan service personnel.
- 4.3. The Contractor will not allow any of its personnel engaged in any marketing, educational or administrative activity under the resulting agreement to receive any salary, fee, bonus, commission, prize, override, or remuneration of any kind for recommending or enrolling a participant in any investment option or for recommending any products or services that are ancillary to the retirement services provided directly by the Contractor.
- 4.4. The Contractor will designate a Plan Administrator to serve as a central point of contact and responsible party for any contact with the City or the Board. The Plan Administrator will be subject to the advance approval by the City and will not be replaced or be assigned additional or modified duties without the advance written consent of the City.
- 4.5. In performing its duties under Agreement, the Contractor will provide all necessary and appropriate support personnel to enable the Contractor to perform its duties, including but not limited to legal counsel, investment management, accounting, administrative, marketing, and educational. All such personnel will possess any licenses required by any applicable statute or regulation and will be responsible for obtaining and maintaining such licenses.

5. PROHIBITED CHARGES

- 5.1. The Contractor will not assess charges of any kind on the transfer of 457 or 401(a) Plans or PEHP assets upon expiration or termination of the resulting agreement. The Contractor will not for any reason whatsoever assess to or pass through to any participant a “front end load” or similar charge, a “back end load”



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or similar charge, or any charges for the transfer or withdrawal of any participant asset; any such charges that may be assessed by any investment provider under the 457, 401(a) Plans or PEHP will either be waived or will be the sole responsibility of the Contractor. The Contractor will indemnify and hold the City, the Board and the participants harmless from any such charges.

5.2. The Contractor will not assess charges for fund changes except for custom participant communications expressly approved by the City. If such charges are to be quoted, they must be in the form of a fixed, not-to-exceed amount.

6. TELEPHONE, INTERNET AND MOBILE SERVICES

6.1. The Contractor will provide an interactive voice response toll-free telephone system to enable participants to obtain current personal account information as well as general information concerning the Plans. The system will have an average minimum “get through” rate of 95 percent (95%), and the average maximum time on hold will be three minutes. The system will include services for hearing impaired participants. The interactive phone system will allow participants to obtain information regarding all investment options. This information will include the participant’s account balance for each investment used, and the participant’s current deferral amount and allocation. The participant will have the ability to exit the interactive system and connect with a customer service representative during the hours such representatives are available. The system must be able to accommodate hearing impaired and monolingual Spanish speaking participants. Excluding maintenance, the interactive system will be available 24 hours per day, seven (7) days per week, and will have security features to protect client account confidentiality.

6.2. The Contractor shall provide a toll-free telephone system for participant inquiries staffed by representatives able to answer inquiries regarding the participant’s personal account information. In addition to the information in the foregoing paragraph, participants shall be able to authorize the transfer of assets between investment options offered by the Trusts and Plans and change their deferral amount for their 457 Plan account. The Contractor shall



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record on tape and retain until after an audit or for six (6) months, whichever is longer, any transfer instructions given by telephone. The representatives shall be able to accommodate hearing impaired and monolingual Spanish speaking participants. Representatives shall be available during the hours of 8:00 a.m. to 5:00 p.m. Local Arizona Time, Monday through Friday, City of Phoenix holidays, excluded.

6.3. The Contractor will provide secure internet and mobile services to enable participants to obtain current personal account information as well as general information concerning the Plans. The Contractor's website will accommodate use of employer identification numbers assigned to the employee or retiree by the City as the primary identifier and social security number as a secondary identifier. The internet site will have the ability to process an average of ninety-nine and one-half percent (99.5%) of online transactions within five (5) seconds or less. Secure information to be available through the system will include the participant's account balance for each investment used and the participant's current deferral amount and allocation. The system will also allow the participant to transfer assets between investment options, to change investment allocations, and to change their deferral amount. The system must be able to accommodate monolingual Spanish speaking participants. The system will be available twenty-four (24) hours per day, seven (7) days per week.

6.4. The Contractor will advise all participants of the availability of its telephone internet, and mobile services. The Contractor will provide access to all services in both English and Spanish for each Plan. Contractor will provide customized internet and print materials and services that reflect a "brand" of the City of Phoenix, as well as specifics of the Plans.

7. COMMUNICATION MATERIALS, FORMS, AND OTHER REQUIRED DOCUMENTS

7.1. All communication materials and forms will be designed, produced and distributed at the Contractor's expense and will be approved in advance by



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the City. Communication materials will include such materials and forms as are necessary for accomplishing education activities related to the City's DCP/PEHP Plans. The materials will include: a brochure explaining the Plans and available investment alternatives for new and existing participants; a detailed participant handbook explaining all features and attributes of the Plans, the Plan Documents, and the investment alternatives for participants; a quarterly participant newsletter for the Plans; the Plan Documents; a distribution brochure explaining distribution options and applicable tax treatments; benefit applications; hardship withdrawal applications; transfer and rollover authorization forms; catch-up enrollment forms; and any other forms necessary to administer the provisions of the Plans. Upon request by any participant in the PEHP Trust, a representative shall provide information about eligible claims and benefits payments under the Trust and help the participant complete the necessary application and other forms in order to receive payment(s). All communications, materials, and forms must be available in both English and Spanish, easily understood by all participants, and will prominently reference the City of Phoenix and the Board, depending upon the subject of the material.

7.2. The Contractor will provide customization to communication and training materials, forms, website pages, and other Plans-related materials as directed to be specific to the City and the applicable Plan(s). Additionally, all materials, forms, and web pages, etc. should be either co-branded with logos for both the Contractor and the City or just branded for the City.

7.3. In addition to the above materials, the Contractor will provide access to Plan information and tools via social networking media and computer programs designed for mobile devices such as smart phones and tablet computers.

7.4. Policy and Procedures Manual -- The Contractor will prepare and maintain Plans which mirrors in substance the terms of the existing 457, 401(a) and PEHP Plan documents (www.phoenixdcp.com) and a manual of policies and procedures governing all aspects of the Plans and will provide copies as



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requested by the City or the Board. The Contractor will assist the City in the drafting and adoption of any administrative rules necessary for the operation of the Plans.

7.5. The Contractor will enroll eligible participants in the Plans and process changes in participation using standardized forms approved in advance of use by the City. If applicable, the Contractor will process, or arrange to have processed, the enrollment of eligible employees in the DCP/PEHP. Enrollment responsibilities will include educating employees regarding all aspects of the Plans and the effect of participation on their take-home pay and future retirement income; providing each participant with copies of applicable prospectuses Plan material and Trust/Plan Documents; including brochure(s) explaining the attributes of the Plans; a participant newsletter regarding the plans and applicable educational information; providing properly trained and licensed enrollment representatives; ensuring that all forms and authorizations submitted are complete and on file with the Contractor; monitoring participant elections and contributions to ensure compliance with Internal Revenue Code requirements; transmitting deferral data to the City; and providing notice to participants authorized to make catch-up contributions. All communications, materials, and forms must be available in both English and Spanish, easily understood by all participants, and will prominently reference the City of Phoenix and the Board, depending upon the subject of the material. The Contractor will provide its personnel with access to all equipment necessary to properly enroll and educate employees, including laptop or tablet computers and overhead projection equipment.

7.6. The Contractor will provide tools, both online and in hard copy format, to participants to assist them in making prudent and educated investment choices for their portfolios. These tools will be able to measure risk, maintain proper diversification, and assist the participant in determining future financial goals. Further, the Contractor's personnel will be able to assist participants in properly diversifying their portfolios and making qualified investment



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decisions using appropriate participant feedback and data as well as applicable tools.

7.7. The Contractor will coordinate with the City's Retirement Systems Office to provide information, on an annual basis, to participants within ten (10) years of retirement regarding "catch-up" provisions of 26 USC §414(v)(2)(B) in the 457 Plan, as well as the options and requirements of the DCP/PEHP Plans relating to retirement.

8. BUSINESS AND EDUCATION PLAN

8.1. The Contractor will draft and present an annual Business and Education Plan for consideration and approval by the Board and the City. The Business and Education Plan will fully describe enrollment, participation, and communication goals for City of Phoenix employees that relate to the City's Plans and how the goals are intended to be met or exceeded. The Business and Education Plan will be revised as necessary to address any failures to meet goals. The Contractor may be required to give updates quarterly or as determined necessary by the Board and the City.

8.2. The Business and Education Plan will detail the Contractor's conduct of educational programs/communication informing employees regarding all aspects of the Plans and the effect of participation in the DCP/PEHP Plans on their take-home pay and future retirement income. The Contractor will also detail conduct of educational programs and communications to retirees regarding their services related to all aspects of retirees' Plan accounts. As part of the Business and Education Plan the Contractor will provide information on the City's defined benefit retirement plan to ensure that employees understand how these three plans complement each other, and will inform participants of general retirement planning and investment issues, as well as providing information related to PEHP (for applicable employees). These educational programs should focus solely on the DCP/PEHP Plans, and are not to be used for solicitation for other vendor products or services. The Contractor will be expected to participate in various City-sponsored



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training programs.

9. INVESTMENT OPTIONS

9.1. The Contractor will record-keep a variety of investment options that satisfy the Plans' Investment Policy Statement requirements including investments that do not have any revenue sharing associated with them. Investment options with any front-end or rear-end loads or other similar fees, charges or penalties will not be considered. The investment options offered to the plans will be selected by the Board in consultation with its investment consultant, (currently, the Hyas Group). If the proposal involves a required proprietary fund percentage or other standard, please state the percentage or standard and other restrictions (not related to any individual investment funds) in the fee proposal section below. The City seeks a provider that will offer a wide range of investment options; including mutual funds, commingled funds, and a self-directed brokerage option (SDBO).

9.2. The Contractor will record-keep transactions associated with SDBO accounts including establishment of SDBO accounts, facilitation of transfer of funds from 457/401(a) Plans core accounts to SDBO accounts, and coordination of reporting related to quantity and asset allocation of SDBO accounts. Due to the significant number of participants and assets in the current SDBO, the Contractor must be able to offer the current broker, Charles Schwab, as the SDBO provider.

9.3. The Contractor agrees, after the Board has selected such investment products, to assist the City and investment consultant in negotiating contracts with the prospective providers. The specifications and any proposed contracts are subject to the prior approval of the Board.

9.4. The Contractor will, at all times, represent with impartiality the available investment options offered under the Plans. The Contractor will establish and follow written procedures designed to guarantee such impartial representation to participants; such procedures will be subject to the advance



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written approval of the Board and the City. The procedures will include directives to the Contractor's personnel that information provided to participants will be presented in a fair and equal manner, allowing participants to make individual choices based on their specific investment needs or desires. The procedures will be adequate to guarantee that the Contractor's personnel will not engage in preferential solicitation. The Contractor will monitor at reasonable intervals the adequacy of such procedures and will report to the Board the results of its monitoring efforts.

10. BOARD REPORTS

10.1. The Contractor will provide the following reports to the Board and additional reports as agreed to by the Contractor and the Board from time to time. All reports will be submitted in a format approved by the Board and the City. Financial reports for the DCP/PEHP Plans shall comport with the standards outlined in the most recent applicable Governmental Accounting Standards Board Statement. The Contractor shall submit such information to the City in the form required by the City.

10.2. The Contractor will provide the Board and its consultant with quarterly and calendar year-to-date financial statements, by plan and by investment, detailing: beginning balance; receipts (specifying deferrals, internal transfers received, and investment earnings or losses); loans; distributions (specifying benefit withdrawals, death benefit withdrawals, hardship withdrawals, internal transfers out, external transfers out, and administrative fees); and statistics related to the DCP/PEHP Plans. Contractor shall also provide a quarterly report identifying the number of times registered investment advisory (RIA) firms access the view account access program. A portion of the report should also show aggregate participant asset allocation by asset class and across demographic criteria such as age or compensation.

10.3. The Contractor will provide the Board with quarterly participation reports by plan showing the number of participants' actively deferring, number of participants receiving periodic distributions through the Contractor, number of



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inactive participants, and total participant accounts maintained by the Contractor.

- 10.4.** The Contractor will provide the Board with quarterly distribution reports by plan showing number of participants making a future election, and number of participants and beneficiaries initiating distributions during the quarter, by type (lump sum, periodic, etc.), and by reason (termination of employment, retirement, hardship, death, etc.). The reports should also show the volume of rollovers to, the recipient entity of the rollover, including but not limited to the rollovers to the Contractor's proprietary IRA or annuity products.
- 10.5.** The Contractor will provide the Board with quarterly marketing report identifying participant activity, including enrollments, increased and decreased deferrals, and measuring, tracking and reporting on participant outcome at the individual and group levels and describing marketing activity for the period.
- 10.6.** The Contractor will provide the Board with quarterly detailed revenue sharing accounting by fund and in aggregate for each Plan.
- 10.7.** The Contractor will provide the Board with such reports as may be necessary to accomplish the Contractor's duties under paragraph 6.7 above regarding participant communication related to the Catch-Up provision under the 457 Plan, as well as available retirement options and requirements related to DCP/ PEHP Plans.
- 10.8.** Each report will be submitted to City staff for review within thirty (30) calendar days after the end of the quarter and submitted to the DCP Staff three (3) to five (5) business days in advance of its quarterly meeting following the end of the required reporting period.

11. BOARD ASSISTANCE

11.1. The Contractor will review and advise the Board on the Plan Documents. The



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Contractor will advise the Board of present and future changes, legislative or otherwise, that would impact the Plans as well as assist the Board in maintaining compliance of the Plans with all statutes and regulations. The Contractor will recommend amendments to the Plan Documents or changes in program operations as may be required by changing conditions, statutes and regulations.

11.2. The Contractor will provide all necessary assistance to allow the Board to carry out its duties in administering the Plans. The Contractor agrees to advise the Board of any changes in federal or state laws, rules, and regulations that may affect the validity, desirability, feasibility or the administration of the Plans, and to secure and provide recommendations from its legal counsel for consideration by the Board and its representatives from the City's Law Department. The Contractor agrees to retain the services of legal counsel to draft any needed or desirable amendments to the Plans and to prepare and submit the amended Plans to the Internal Revenue Service for a private letter ruling, along with any attendant agreements, such as participation agreements, necessary for the implementation of the amended Plans. Such documents and agreements prepared by counsel will be prepared in accordance with the rules and regulations of the appropriate federal regulatory authorities.

11.3. From time to time, the Board will request Plan enhancements to include, but not limited to, HSA investment fund lineup, loan options, automated fund distributions and secure site for uploading required/requested documentation.

12. PLAN ADMINISTRATION EXPENSES

12.1. The Contractor must provide funding for the administrative costs that the City incurs in overseeing and maintaining the DCP/PEHP Plans. Therefore, the Contractor will collect and pay to the City an administrative assessment to be



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determined annually by the City. This assessment is to reimburse the City for the cost of an independent plan consultant, legal services associated with the Plans, and other miscellaneous Plans-related expenses including incidental staff expenses of coordination of the Plans; and will be in addition to whatever fees the Contractor collects for its own services. Such assessments will be calculated and collected as of the last day of each calendar quarter and remitted to the City within thirty (30) calendar days following quarter end.

12.2. The Contractor agrees that its fees are to be collected from participants whether in the form of a per participant charge or a percentage of Plans assets and as set forth in Agreement will be the entire compensation due the Contractor for the services and all the Contractor's duties and obligations under Agreement regardless of the difficulty, hours worked, or material or equipment provided. The fees set forth in Agreement include, but are not limited to, all applicable taxes, overheads, profits and all other direct and indirect costs incurred or to be incurred by the Contractor. The Contractor acknowledges and agrees that it will not be entitled to receive any other compensation or remuneration whatsoever from the City in connection with the Contractor's services rendered.

12.3. The Contractor may assess an internal asset fee (administrative fee) on such assets of a participant as are placed in an investment product of the Contractor, a related entity to the Contractor, a subsidiary of the Contractor or a parent company of the Contractor as would be appropriate in order to equalize the fee impact to participants if there are some investment products in the City's Plans, which assess a revenue sharing fee.

13. PLAN LOAN PROGRAM

The Contractor shall assume the existing 457 Plan Loan Program in place with the current plan administrator. Copies of the Loan Program may be viewed at www.phoenixdcp.com "Plan Amendments".

14. VIEW ACCOUNT ACCESS PROGRAM



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- 14.1.** The contractor shall maintain a view account access program that allows RIA firms who have submitted the required documentation and have been subsequently authorized by the City to have third party view-only access to the core 457/401(a) participant accounts in those Plans. Contractor will coordinate with the current plan administrator to transition and assume responsibility for the view account access program currently in place. The Contractor will activate access for RIA's only following receipt of the City's authorization permitting view only account access. The Contractor will monitor the access on an ongoing basis; and report to the Board on a quarterly basis regarding that access. (More details on this program are included in the supplemental plans information provided as Attachments to this RFP.)
- 14.2.** Representatives of RIA firms have the ability to manage investment of the assets in participant SDBO accounts (currently available through Charles Schwab) and/or assets in participant core 457/401(a) Plans accounts, if they have authorization from the participant. Authorization from Charles Schwab is also required in order for a representative of an RIA firm to provide investment advisory services associated with any Schwab SDBO accounts.

15. COMPLIANCE WITH INTERNAL REVENUE CODE AND TREASURY GUIDELINES

The Contractor recognizes that the Plans are intended to at all times comply with the requirements of the Internal Revenue Code and Treasury regulations relevant to the administration of the DCP/PEHP Plans. Contractor will maintain knowledge of the federal laws and regulations applicable to such plans and will administer such plans in a manner consistent with the requirements of the Internal Revenue Code, Internal Revenue Service guidance applicable Treasury regulations and the Plan Documents. The Contractor will advise the Board of any compliance issue or concern arising in the course of performing its duties under the contract and will recommend any corrective or alternative course of action necessary. The Contractor will prepare any documents or forms necessary to obtain approval from appropriate federal and state agencies as may be required to ensure full compliance with the laws and regulations governing the Plans.



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16. ANNUAL PARTICIPANT SATISFACTION SURVEY

The Contractor will, at its sole expense, conduct an annual participant satisfaction survey. The content of the survey, the methodology used to conduct the survey, the adequacy of the statistical sampling methods, and the number of participants (including retirees) surveyed will be approved in advance by the Board. The City and Contractor shall establish an annual timeframe for completion of this survey, which can be changed at the discretion of the City and/or the Board.

17. ANNUAL FINANCIAL AUDIT

17.1. Contractor shall contract for annual audits of the Plans by an independent Certified Public Accountant approved by the Board. Contractor shall ensure the such audit reports are submitted to the Board no later than one hundred twenty (120) calendar days after December 31, of each year. The City shall reimburse the Contractor for the Certified Public Accountant’s reasonable fees based on documentation provided by the Contractor. Contractor will coordinate and manage the annual audit to insure of its timely delivery.

17.2. The annual audits are required in addition to the audits required as part of the implementation and/or transition, which will be at the Contractor’s sole expense and conducted by an independent Certified Public Accountant approved by the Board. Such transition and implementation audit will examine the period from the Contractor’s commencement of performance of Agreement through the completion of the transition process. The audit report associated with implementation and/or transition will be submitted to the Board no later than one hundred twenty (120) days after the completion of the transition process. Subsequent audit reports will be performed annually thereafter.

18. TRANSITION PLAN AND IMPLEMENTATION

18.1. In conjunction with its response to the RFP, the Contractor will submit a transition plan that thoroughly address both transition of records associated with core Plans accounts, as well as SDBO accounts maintained by Charles Schwab (“Transition Plan”). The Transition Plan will be subject to the City’s



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review and approval and the City shall in its sole discretion determine the sufficiency of the Transition Plan. In its Transition Plan, the Contractor will specify whether the Contractor is able to retain Charles Schwab as the SDBO provider or must transition to a different SDBO provider. If the City determines the Transition Plan is deficient, the City will notify the Contractor of any deficiencies in the Transition Plan. The Contractor agrees that it will revise the Transition Plan to the satisfaction of the City within ten (10) days of such notification. Failure to do so will be grounds for the City to award the contract to the next most advantageous vendor.

- 18.2.** The Contractor shall be required to participate in transition of plans and implementation from July 1, 2020 through November 13, 2020 prior to the Effective Date of November 20, 2020 of this Agreement. The administrator will not receive any fees under Agreement, other than any agreed-upon startup or implementation fees set forth in Exhibit B.
- 18.3.** The Contractor must also prepare a detailed implementation plan outlining all the steps necessary to set up member data records, create interfaces with the City payroll system and establish enrollment and reconciliation procedures for data and trust, custody and investment accounts. Please be reminded the City utilizes PeopleSoft. The Contractor's transition plan must directly address the capacity to integrate with City's databases using the PeopleSoft software system.
- 18.4.** Up to thirty (30) days before the implementation date, the customer service telephone line that the Contractor will provide must be staffed with a sufficient number of qualified customer service representatives to answer participant questions about the change in administrators.
- 18.5.** The Contractor must demonstrate that participant assets are transferred and properly allocated to the investment options within each participant's account and are accessible in accordance with the Plans, and all services required by the Agreement are fully operational.



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18.6. As a part of the transition, the Contractor at its sole expense will furnish to the Board a report by an independent auditor approved by the Board confirming that sufficient testing has been conducted, including but not limited to a parallel processing of at least two payroll cycles, and that the Contractor has demonstrated that the Contractor's record keeping system(s) is/are fully operational, able to receive data from the City's Plans, and able to conduct all record keeping and processing activities required by Agreement. Such audit will be furnished before the Contractor will be authorized to receive assets of the City's plans, deferrals and contributions into the City's 457 Plan and 401(a) Plan, and employer contributions into the City's PEHP and in no event later than two weeks before the date on which the Contractor is to receive new contributions. Failure to obtain a successful audit in a timely manner will be grounds for the immediate termination of Agreement.

19. CONTRACT EXPIRATION OR TERMINATION DUTIES

19.1. The Contractor agrees that all records regarding the Plans will be the property of the City. Upon expiration or termination of the Agreement the Contractor will provide to the City records kept by the Contractor hereunder and all monies held by the Contractor within fifteen (15) calendar days of the City's request. The records and monies will be transmitted to the City or its designee pursuant to reasonable written instructions given by the City. The Contractor will provide to participants a final statement upon the termination of Agreement, effective the date the contract is terminated. The Contractor will also provide the City will a full written accounting of the status of each participant's accounts under the Plans.

19.2. Upon termination of its contract, the Contractor must fully cooperate with the City in an orderly transfer of administrative responsibilities and records to the new administrator. If the City elects not to renew the Agreement at the end of its term, or otherwise terminates the Agreement for cause or convenience, the Contractor agrees to fully cooperate in the transition of the new administrator.



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19.3. The Contractor must provide all necessary documents and computer files and generally assist the new administrator and the City in learning the content of such documents and files, or otherwise as will be mutually agreed upon. Once the Contractor has been notified of its termination, all general participant communications must be approved by the City. No unauthorized communications with participants in the Plans will be permitted.



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20. PERFORMANCE STANDARDS - 457, 401(A) AND (AS APPLICABLE) PEHP

20.1. The following table contains performance standards that have associated reward or non-performance fees paid to the Plans:

Activity	Performance Standard
Initial Transition/Conversion	<p>If an adequate test file is received from the previously record keeper at least forty-five (45) Business Days prior to the conversion date, the “blackout” period will be completed within one (1) Business Day after the receipt of all final reconciled participant account balances from prior record keeper. The blackout period is defined as the period of time required to establish participant account balances on the record keeping system while no participant processing is allowed. The blackout period ends when contribution and transfer processing resumes.</p> <p>Non-Performance Fees</p> <p>If the blackout period described above is not completed within five (5) Business Days (and an adequate test file has been received from the prior record keeper at least forty-five (45) Business Days prior to the conversion date), a non-performance fee of \$50,000 will be paid to the Plans, unless the failure to complete the blackout period within five(5) Business Days is due to circumstances beyond the control of the Contractor as the Contractor has acted in good faith and used reasonable best efforts to obtain such required information.</p> <p>If an adequate test file from the previous record keeper has not been received at least forty-five (45) Business Days prior to the conversion date, no non-performance fees will be payable to the City.</p>



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20.2. The following table contains performance standards that are agreed upon benchmarks, but do not have associated reward or non-performance fees:

Activity	Performance Standard
Client Service Representatives - Average Speed of Answer	<p>All telephone calls by the Employer’s participants to the Contractor’s home office Client Service Representatives will be answered within twenty (20) seconds on average at least 75% of the time.</p> <p>A report will be generated yearly from the system to document the necessary information regarding the number of telephone calls received and answered.</p> <p>\$15,000 performance guarantee paid to the City if Contractor fails to meet this standard on an annual basis.</p>
Local Plan Representatives	<p>All telephone messages and emails received from participants by local Plan representatives will be responded to within forty-eight (48) hours unless the representative’s voice mail/email indicates the timeframe during which he/she will be unavailable and it exceeds that time limit. If so, the representative will respond to the telephone message and/or email within forty-eight (48) hours of his/her return.</p> <p>Local Plan representatives shall consistently provide detailed voice mail and email automated messages indicated timeframes that they are out of their office/unavailable to respond to participants.</p>



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Activity	Performance Standard
Participant Statement Email Notification or Mailing	<p>Starting with the first calendar quarter following the transition, participant statements notifications will be emailed or if preferred, paper statements will be mailed within fifteen (15) calendar days of the end of each calendar quarter, or within ten (10) Business Days after receipt of accurate information from third party sources, whichever is later, as the information will include final fund values, return information from the participating investment providers and all newsletter information from the Employer.</p> <p>The fifteen (15) calendar day standard begins on the first calendar day of the calendar quarter and ten (10) Business Days standard begins on the first Business Day after all required information to be included with the statements has been received and both standards end on the date statements are postmarked for mailing.</p> <p>\$5,000 performance guarantee paid to the City per quarter for each quarter that Contractor fails to meet this standard (total guarantee of \$20,000).</p>
Annual Group Seminars	<p>Starting with the initial Annual Business and Education Plan, the Contractor will design and present an annual Business and Education Plan for consideration and approval by the Employer’s Management Board. The Business and Education Plan will include, but is not limited to, the number of group seminars that the Contractor will perform during the year informing employees of the aspects of the Plans.</p> <p>Subsequent Annual Business and Education Plans will include a description of the number of annual group seminars provided the previous year. Subsequent Annual Business and Education Plans will also include goals related to communication/education geared toward retirees. The Contractor will perform at least 95% of the annual group seminars approved in the Annual Business and Education Plan the previous year.</p>



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Activity	Performance Standard
Standard Accounting Activity Turnaround Times	
Activity	Performance Standard
Distributions paid following receipt of request	All checks for payments shall be mailed to no later than the third Business Day following the receipt of completed paperwork in good order and the posting of the daily valuation cycle.
Changes in Investment Elections	100% of all changes in investment elections received by 3:59:59 P.M. Eastern Standard Time requested by participants shall be processed on the same day received in good order.
Transfers or Reallocations	100% of all fund transfers (purchases and redemptions) requested by participants and in good order shall be executed within the investments at that day's closing NAV or price, providing the request was entered by close of NYSE.
Withdrawals paid	All checks for payments shall be mailed no later than the third Business Day following the receipt of completed paperwork in good order and the posting of the daily valuation cycle.
Notification to Participants with Required Minimum Distributions	Participants requiring minimum required distributions shall be identified, mailed correspondence and election forms (if appropriate) and RMD shall be processed by December 1 of each calendar year.
Speed in correcting transaction errors	Transaction errors shall be rectified within (5) Business Days of a participant's or the Employer's notification of such error.
Lead time for adding a new fund	Sixty (60) Calendar Days
Blackout period for adding new fund	Three (3) Business Days
Response time for resolving issue when research is required (contact initiated through service representative)	Written complaints will be responded to within five (5) Business Days. Will report unresolved complaints after ten (10) Business Days.



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Activity	Performance Standard
Automated Communications	
Activity	Performance Standard
Confirmations statements	95% of participant confirmation statements shall be produced and mailed within two (2) Business Days after transaction. None shall be mailed any later than five (5) after the transaction.
Distribution of educational and fund selection materials	Educational and fund selection should be mailed within two (2) Business Days after request is made.
Payment request forms	Payment request forms should be mailed within two (2) Business Days after request is made.
Quality/Accuracy Measurements	
Activity	Performance Standard
Participant statement accuracy	99% accuracy on quarterly participant statements.
Transaction accuracy (Participant requested transactions)	Contractor shall perform Participant requested transactions with 99% accuracy calculated as the total number of transactions processed without errors by the total number of transactions processed; errors defined through audit and as reported
Accuracy of Plans related reports to the City and the Board	<p>Contractor will provide Plans-related reports to the City for review that are, to the best of the Contractor's knowledge, accurate, and suitable for future use with the Board. Verbiage changes, client requested format changes during review, non-substantive errors and Plan Sponsor Collaboration will not be considered to be an issue.</p> <p>The City can request a review on any specific provided item and have Contractor respond on their findings of whether the report met the accuracy component. Upon a mutually agreeable Service Measurement, a penalty could be assessed if the material is to be found to be inaccurate.</p> <p>\$5,000 performance guarantee paid to the City per quarter for</p>



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Activity	Performance Standard
	<p>each quarterly report for which Contractor fails to meet this standard (total guarantee of \$20,000).</p> <p>Maximum of an additional \$5,000 performance guarantee paid to the City on an annual basis for other reports for which Contractor does not meet this standard.</p>
Communication materials accuracy	<p>Contractor will provide Plans-related marketing materials (including mailers, articles, educational material, class/workshop PowerPoints, and related handouts, emails, any other types of communication produced by Contractor for distribution to participants) that are, to the best of Contractor's knowledge, accurate, and suitable for future use with participants. Verbiage changes, client requested format change during review, non-substantive errors and Plan Sponsor Collaboration will not be considered to be an issue.</p> <p>The City can request a review on any specific provided item and have Contractor respond on their findings of whether the report met the accuracy component. Upon a mutually agreeable Service Measurement, an agreed upon penalty could be assessed if the material is to be found to be inaccurate</p> <p>Maximum of \$20,000 paid to the City on an annual basis for materials that Contractor produces which fail to meet this standard (total guarantee of \$20,000)</p>



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Activity	Performance Standard
Controls for Manual & Systems Processes & Procedures	
Activity	Performance Standard
Distribution upon request of generic & Participant specific documents (including administrative forms, prospectuses, Plan Document and/or brochure Participant statement copies, etc.)	95% of the documents made available shall be mailed within two (2) Business Days of the request; 100% of the documents to be emailed shall be emailed the day of the request.
Fulfillment (acceptable error rates & turnaround times)	99% accuracy on fulfillment of mailed materials.
Excess system capacity requirements – web	Average of 25% excess capacity shall be maintained.
Excess system capacity requirements – Voice Response Unit (VRU)	Average of 25% excess capacity shall be maintained.
Excess system capacity requirements – processing	Average of 25% excess capacity shall be maintained.
Standard Commitment for Channel Availability and System Recovery	
Activity	Performance Standard
Unscheduled downtime - VRU access for Participant functions	Participants shall have VRU access at the rate of 99% of every 24-hour period, seven (7) days a week (excluding periods of scheduled maintenance and system upgrades, with notification). The availability rate is measured by calculating the total number of hours the system is available divided by the total number of hours it was scheduled for availability
Scheduled	Shall not exceed 4 hours a month.



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Activity	Performance Standard
maintenance – VRU	
Scheduled maintenance – web	Shall not exceed 12 hours a month.
Availability of record keeping system (exclusive of routine maintenance)	The recordkeeping system shall be available 99% of every 24 hours per day, seven (7) days a week; maintenance shall not be scheduled for prime time and should not exceed 6 hours.
System recovery following disaster	The Recordkeeping system shall be restored and available to participants within 72 hours of an outage due to a disaster.



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EXHIBIT B – FEE SCHEDULE

To be attached upon award.

Adjustment in Management Fee Schedule. Notwithstanding the above, in the event the Contractor provides recordkeeping services for clients with similar account characteristics as the City at a fee that is less than the fee reflected on the Fee Schedule, the Contractor shall immediately advise the City and, reduce the Fees imposed under this Agreement beginning with the next quarterly billing period.



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EXHIBIT C - INDEMNIFICATION & INSURANCE REQUIREMENTS

1. INDEMNIFICATION CLAUSE:

Contractor (“Indemnitor”) must indemnify, defend, save and hold harmless the City of Phoenix and its officers, officials, agents, and employees (“Indemnitee”) from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys’ fees, and costs of claim processing, investigation and litigation) (“Claims”) caused, or alleged to be caused, in whole or in part, by the wrongful, negligent or willful acts, or errors or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors in connection with this Contract. This indemnity includes any Claims arising out of or recovered under the Workers’ Compensation Law or arising out of the failure of Contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. Contractor must indemnify Indemnitee from and against any and all Claims, except those arising solely from Indemnitee’s own negligent or willful acts or omissions. Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification applies. In consideration of the award of this Contract, Contractor agrees to waive all rights of subrogation against Indemnitee for losses arising from the work performed by Contractor for the City. The obligations of Contractor under this provision survive the termination or expiration of this Contract.

2. INSURANCE REQUIREMENTS:

Contractor and subcontractors must procure insurance against claims that may arise from or relate to performance of the work hereunder by Contractor and its agents, representatives, employees and subconsultants. Contractor and subcontractors must maintain that insurance until all of their obligations have been discharged, including any warranty periods under this Contract.

These insurance requirements are minimum requirements for this Contract and in no way, limit the indemnity covenants contained in this Contract. The City in no way warrants that the minimum limits stated in this section are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this



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contract by the Contractor, its agents, representatives, employees or subcontractors and Contractor is free to purchase additional insurance as may be determined necessary.

2.1. MINIMUM SCOPE AND LIMITS OF INSURANCE: Contractor must provide coverage with limits of liability not less than those stated below. An excess liability policy or umbrella liability policy may be used to meet the minimum liability requirements provided that the coverage is written on a “following form” basis.

2.1.1. Commercial General Liability

Policy must include bodily injury, property damage and broad form contractual liability coverage.

General Aggregate	\$2,000,000
Products – Completed Operations Aggregate	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000

The policy must be endorsed to include the following additional insured language: “The City of Phoenix is named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor.”

2.1.2. Automobile Liability

Bodily Injury and Property Damage coverage for any owned, hired, and non-owned vehicles used in the performance of this Contract.

Combined Single Limit (CSL) \$1,000,000

The policy must be endorsed to include the following additional insured language: “The City of Phoenix is named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor, including automobiles owned, leased, hired or borrowed by the Contractor.”

2.1.3. Worker’s Compensation and Employers’ Liability



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Workers' Compensation Statutory
Employers' Liability

Each Accident \$100,000
Disease – Each Employee \$100,000
Disease – Policy Limit \$500,000

- Policy must contain a waiver of subrogation against the City of Phoenix.
- This requirement does not apply when a contractor or subcontractor is exempt under A.R.S. 23-902(E), AND when such contractor or subcontractor executes the appropriate sole proprietor waiver form.

2.1.4. Professional Liability (Errors and Omissions Liability)

The policy must cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Services of this contract.

Each Claim \$1,000,000
Annual Aggregate \$1,000,000

In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy must precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

3. ADDITIONAL INSURANCE REQUIREMENTS: The policies must include, or be endorsed to include, the following provisions:

3.1. On insurance policies where the City of Phoenix is named as an additional insured, the City of Phoenix is an additional insured to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by this Contract.

3.2. The Contractor's insurance coverage must be primary insurance and non-



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contributory with respect to all other available sources.

4. NOTICE OF CANCELLATION: For each insurance policy required by the insurance provisions of this Contract, the Contractor must provide to the City, within 2 business days of receipt, a notice if a policy is suspended, voided or cancelled for any reason. Such notice must be mailed, emailed, hand delivered or sent by facsimile transmission to **Adriana Phillips Human Resources Department, 251 W Washington Street, 7th Floor. Phoenix, AZ 85003.**

5. ACCEPTABILITY OF INSURERS: Insurance is to be placed with insurers duly licensed or authorized to do business in the state of Arizona and with an “A.M. Best” rating of not less than B+ VI. The City in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

6. VERIFICATION OF COVERAGE: Contractor must furnish the City with certificates of insurance (ACORD form or equivalent approved by the City) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and any required endorsements are to be received and approved by the City before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract or to provide evidence of renewal is a material breach of contract.

All certificates required by this Contract must be sent directly to **Adriana Phillips, Human Resources Department, 251 W Washington Street, 7th Floor. Phoenix, AZ 85003.** The City project/contract number and project description must be noted on the certificate of insurance. The City reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time. **DO NOT SEND CERTIFICATES OF INSURANCE TO THE CITY’S RISK MANAGEMENT DIVISION.**



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7. SUBCONTRACTORS: Contractors' certificate(s) must include all subcontractors as additional insureds under its policies or Contractor must furnish to the City separate certificates and endorsements for each subcontractor. All coverages for subcontractors must be subject to the minimum requirements identified above.

8. APPROVAL: Any modification or variation from the insurance requirements in this Contract must be made by the Law Department, whose decision is final. Such action will not require a formal Contract amendment, but may be made by administrative action.



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EXHIBIT D - CONSULTANT'S INSURANCE CERTIFICATE

Consultant's Insurance Certificate



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EXHIBIT E - SUPPLEMENTAL TERMS AND CONDITIONS

1. NON-ASSIGNABILITY:

This Agreement is in the nature of a personal services agreement and Contractor shall have no power to assign its rights and obligations under this Agreement without the prior written consent of the City. Any attempt to assign without such prior written consent shall be void.

2. TITLE:

All documents including but not limited to artwork, copy, posters, billboards, photographs, video tapes, audio tapes, systems designs, drawings, estimates, field notes, investigations, software, reports, diagrams, surveys, analyses, studies or any other original works of authorship created by Contractor in the performance of this Agreement are to be and remain “works for hire” under Title 17, United States Code, and the property of the City and all copyright ownership and authorship rights in the work(s) shall belong to the City pursuant to 17 U.S.C. § 201(b). In the event that the work(s) that is/are the subject matter of this Agreement is deemed to not be work for hire, then Contractor hereby assigns to the City all of the right, title and interest for the entire world in and to the work(s) and the copyright therein. Contractor agrees to cooperate and execute additional documents reasonably necessary to conform to its obligations under this paragraph.

All documents, together with all unused materials supplied by the City, are to be delivered to the City upon termination of this Agreement before the final payment is made to Contractor.

3. CONTRACT WORKER ACCESS CONTROLS, BADGE AND KEY ACCESS REQUIREMENT:

3.1 Contractor and Subcontractor Workers Background Screening:

Contractor agrees that all Contractor and subcontractors’ workers (collectively “Contract Worker(s)”) pursuant to this Agreement will be subject to background and security checks and screening (collectively “Background Screening”) at Contractor’s sole cost and expense, unless otherwise provided for in the scope of work. Contractor’s background screening will comply with all applicable laws, rules and regulations. Contractor further agrees that the background screening is necessary to preserve and protect the public health, safety and welfare.

3.1.1 The City requires a completed Contract Worker Badge/Key/Intrusion Detection Responsibilities Agreement for each Contract Worker who requires a badge or key.

3.2 **Background Screening Risk Level:** The City has established two levels of risk: Standard and Maximum risk. If the scope of work changes, the City may



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amend the level of risk, which could require the Contractor to incur additional contract costs to obtain background screens or badges. But, the current risk level and background screening required for this Agreement is **STANDARD RISK LEVEL**.

- 3.3 Standard Risk Level:** A standard risk background screening will be performed when the Contract Worker's work assignment will:
- 3.3.1 require a badge or key for access to City facilities; or
 - 3.3.2 allow any access to sensitive, confidential records, personal identifying information or restricted City information; or
 - 3.3.3 allow unescorted access to City facilities during normal and non-business hours.
- 3.4 Requirements:** The background screening for this standard risk level will include a background check for real identity/legal name, and will include felony and misdemeanor records from any county in the United States, the state of Arizona, plus any other jurisdiction where the Contractor worker has lived at any time in the preceding seven years from the Contract Worker's proposed date of hire.
- 3.5 Contractor Certification; City Approval of Background Screening:**
- 3.5.1** Unless otherwise provided for in the Scope, Contractor will be responsible for:
 - 3.5.1.1** determining whether Contract Worker(s) are disqualified from performing work for the City for standard risk level background checks; and,
 - 3.5.1.2** for reviewing the results of the background check every five years; and,
 - 3.5.1.3** to engage in whatever due diligence is necessary to make the decision on whether to disqualify a Contract Worker; and,
 - 3.5.1.4** Submitting the list of qualified Contract Workers to the contracting department.
 - 3.5.2** For sole proprietors, the Contractor must comply with the background check for himself and any business partners, or members or employees who will assist on the contract and for whom the requirements of the Agreement apply.
 - 3.5.3** By executing this agreement, Contractor certifies and warrants that Contractor has read the background screening requirements and criteria in this section, and that all background screening information furnished to the City is accurate and current. Also, by executing this agreement, Contractor further certifies and warrants that Contractor has satisfied all background screening requirements for the standard



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risk background screening, and verified legal worker status, as required.

- 3.6 Terms of This Section Applicable to all Contractor’s Contracts and Subcontracts:** Contractor will include Contract Worker background screening in all contracts and subcontracts for services furnished under this agreement.
- 3.7 Materiality of Background Screening Requirements; Indemnity:** The background screening requirements are material to City’s entry into this agreement and any breach of these provisions will be deemed a material breach of this contract. In addition to the indemnity provisions set forth in this agreement, Contractor will defend, indemnify and hold harmless the City for all claims arising out of this background screening section including, but not limited to, the disqualifications of a Contract Worker by Contractor. The background screening requirements are the minimum requirements for the Agreement. The City in no way warrants that these minimum requirements are sufficient to protect Contractor from any liabilities that may arise out of the Contractor’s services under this Agreement or Contractor’s failure to comply with this section. Therefore, Contractor and its Contract Workers will take any reasonable, prudent and necessary measures to preserve and protect public health, safety and welfare when providing services under this Agreement.
- 3.8 Continuing Duty; Audit:** Contractor’s obligations and requirements will continue throughout the entire term of this Agreement. Contractor will maintain all records and documents related to all background screenings and the City reserves the right to audit Contractor’s records.

SECTION III – EVALUATION REQUIREMENTS

1. EVALUATION CRITERIA

In accordance with the Administrative Regulation, 3.10, Competitive Sealed Proposal awards shall be made to the responsible offeror(s) whose proposal is determined in writing to be the most advantageous to the City based upon the evaluation criteria listed below. The evaluation factors are listed in the relative order of importance.

Qualifications and Experience	250 POINTS
Method of Approach	450 POINTS
Pricing	300 POINTS
TOTAL AVAILABLE POINTS:	1000 Maximum

Offerors must submit the information in the same order as requested and must contain the following:

TAB 1 – QUALIFICATIONS AND EXPERIENCE

- A1. Provide a single main contact name, title, address, phone number, and email address for all matters related to this RFP.
- A2. Complete the following chart:

Year Offeror was founded:	
Offering services to 457 govt. plans since:	
Offering services to 401(a) govt. plans since:	
Offering services to Section 501(c)9 (PEHP) plans since:	
Offering services to defined contribution plans since:	

- A3. Provide a one-page diagram of the ownership structure of the Offeror and its subsidiaries. Note the legal structure of the business.
- A4. Provide a statement of your organization’s strategic plan. If you cannot provide the strategic plan, provide a synopsis or summary of your organization’s strategic plan, including the following:
 - a. level of commitment management has to building market presence,
 - b. enhancing current products,



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- c. developing new products,
- d. plan for controlling growth of the defined contribution business, and
- e. plan for controlling the growth of administration beyond the defined contribution business

A5. Complete the following chart showing expenditures for the record keeping business in relation to your organization’s total expenditures company-wide. If you cannot provide actual figures provide the ratio of record keeping expenditures to total company expenditures within the given time frames. You do not need to provide ratio figures if you can provide total expenditures for the years listed.

	Dollar Amount of Investment in Recordkeeping Business	Ratio of Investment in Recordkeeping Business
2019		
2018		
2017		

A6. As of the RFP issue date, were there any discussions or pending agreements to purchase another organization, or to sell or merge any part of your organization? (Yes/No) If yes, explain.

	Yes/No	Description
Purchase:		
Merge:		
Sell:		

A7. Has your organization ever filed for bankruptcy or otherwise become insolvent? (Yes/No) If yes, explain and provide applicable date(s).

A8. Has your firm or a subsidiary been the recipient of governmental financial assistance from any government, foreign or domestic within the past ten years? (Yes/No) If yes, describe, including the impact on ownership and obligations to the assisting government.

A9. If your organization or parent company has a credit rating, provide your ratings from Standard & Poor’s, Moody’s, and Fitch. For insurance companies, include



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the financial strength rating, as well as your counterparty credit rating. If rated by some other service, provide the rating and rating criteria.

Rating Organization	Financial Strength Rating	Counter-Party Credit Rating
Fitch		
Moody's		
S&P		
Other		

A10. Provide one (1) hard copy of financial statements certified by management and/or audited by an independent Certified Public Accountant. The statement should include a balance sheet, income statement, and cash flow statement with all footnotes and disclosures in accordance with generally accepted accounting principles for the last three (3) full fiscal years of operations. Sole proprietorships may substitute a personal financial statement with personal tax documents filed with the federal government for the last three (3) years. The Offeror must be prepared to substantiate all information shown. Financial statements not meeting this requirement may be deemed unresponsive or scored lower in the evaluation of the proposal.

If a Offeror intends to operate the business as a sole proprietorship, the Offeror must submit a personal financial statement not older than ninety (90) calendar days and three (3) years most recent personal tax returns. This must be submitted with the rest of the proposal.

If a Offeror is a corporation, partnership, or joint venture, and has been in business for less than one (1) year, then the above personal financial information is required for all shareholders, partners and joint venture partners that have a ten percent (10%) or more ownership interest in the Offeror.

Include the statements in the exhibit tab and label it Exhibit 2.

A11. State whether the company is currently involved in any litigation, threatened litigation, investigation, reorganization, receivership, filing, strike, audit, corporate acquisition, unpaid judgments or other action that could have an adverse impact on your ability to provide the required RFP needs. If so, please describe the nature of the item and its potential impact.



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A12. State whether your firm has been unable to complete a contract, been removed from a contract, or been replaced during a contract period in the past five years. If so, explain what happened and why.

A13. Has your parent company, organization or any of your local service representatives been cited, reprimanded or penalized by any regulatory agency within the past ten years? (Yes/No) If yes, describe.

A14. Has any subcontractor that would be part of the service delivery to the City been cited, reprimanded or penalized by any regulatory agency within the past ten years? (Yes/No) If yes, describe.

A15. Complete the following charts for the applicable calendar years:

Requested Data	2019	2018	2017	2016	2015
<u>Total Assets:</u> Defined contribution (DC) retirement plans record kept:					
<u>Total Assets:</u> Govt. 457account record kept:					
<u>Total Assets:</u> Govt. 401(a) recordkept:					
<u>Total Assets:</u> Govt. PEHP accounts record kept:					
<u>Total Participants:</u> DC plan accounts record kept:					
<u>Total Participants:</u> Govt. 457 accounts record kept:					
<u>Total Participants:</u> Govt. 401(a) accounts record kept:					
<u>Total Participants:</u> Govt. PEHP accounts record kept:					
Average Participant Deferral Amounts to 457 plans:					
Total # of Firm employees:					



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Requested Data	2019	2018	2017	2016	2015
Total # of Firm employees working on DC plans:					
Total # of Firm employees exclusively dedicated to serving governmental plans:					
Total Firm gross revenues (do not refer to separate document):					

Requested Data as of 2019	Answer
Total \$ assets invested in the Firm’s proprietary investment products by DC plans which you recordkeep:	
Total \$ assets invested in non-proprietary investment products within DC plans which you recordkeep:	
Ratio of proprietary funds to non-proprietary funds in DC plans which you recordkeep (e.g. 1:2):	
Total assets invested in the Firm’s Managed Account Program:	
Average participant usage rate for those plans offering Managed Accounts:	

Average overall <u>governmental DC plan allocation for plans you recordkeep as of 2019</u>	Average Plan
Money Market/Stable Value (%):	
Bond (%):	
US Large Cap Equity (%):	
US Small-Mid Cap Equity (%):	
International Equity (%):	
Asset Allocation (%):	



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Average overall <u>governmental DC</u> plan allocation for plans you recordkeep as of 2019	Average Plan
Other (%):	
Total <u>Average</u> Number of Investment Options (state whether target date or risk based asset allocation funds are counted as 1 option or multiple options):	

A16. Complete the following tables as they relate to your current governmental 457/401(a) plans clientele:

Governmental DC Plans Data as of 2019	Total # of Plans	Total \$ Plan Assets	# of Sole-Provider Plans
Under 100 participants			
From 100 to 500 participants			
From 501 to 2,500 participants			
From 2,501 to 5,000 participants			
From 5,001 to 10,000 participants			
Over 10,000 participants			
Grand Totals			

Governmental DC Plans Data as of 2019	Total # of Plans	Total \$ Plan Assets	# of Sole Provider Plans
Under \$5 million			
From \$5 million to \$20 million			
From \$21 million to \$100 million			



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Governmental DC Plans Data as of 2019	Total # of Plans	Total \$ Plan Assets	# of Sole Provider Plans
From \$101 million to \$200 million			
From \$201 million to \$500 million			
Over \$500 million			
Grand Totals			

A17. How many of the plans referenced in the tables in question A16 above are 401(a) Plans?

A18. Complete the following table regarding the number of defined contribution plans (irrespective of entity type) you have won/lost **in the last five years**. This response should include cases in which you elected not to re-bid and should not include cases in which you were retained with no meaningful growth in assets upon retention.

Data as of 2019	# Won	# Lost
Under \$5 million		
From \$5 million to \$25 million		
From \$25 million to \$100 million		
From \$100 million to \$250 million		
Over \$250 million		

A19. Provide the name and the contract start/termination date for all clients or ex-clients with assets greater than **\$250 million** referenced in the A18 table above:



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Client Name (Wins)	Contract Start Date

Client Name (Losses)	Contract Termination Date

A20. Does your organization have any affiliations with, or endorsements from, any public or private organizations and/or industry groups, etc.? (Yes/No) If yes, describe the relationship, and include a description of whether or not it is a monetary relationship.

Organization	Monetary Relationship (Y/N)	Amount of Contribution	Length of Relationship

A21. How many of the plans referenced in the tables referenced in A16 are Post Employment Health Plans (PEHP)?

B. Record Keeping, Cyber Security and Custody
Record Keeping:



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B1. Complete the table below regarding your recordkeeping system:

	Response
Is your recordkeeping system proprietary? (Yes/No):	
Used since:	
Number of participants on the system:	
Number of plans on the system:	
Is the system server-based or mainframe-based?	

- B2. Provide a copy of the Firm's SOC 1 and SOC 2 audit reports. Include copies in the Exhibit Folder and label it Exhibit 3.
- B3. Provide control objective results from your most recent system audit, including number of exceptions or deviations noted. Include a copy in the Exhibit Folder and label it Exhibit 4.
- B4. Will you provide access, with reasonable notice, to parties authorized by the Plan Sponsor for the purpose of performing any audit or reviews that are deemed necessary? (Yes/No)
- B5. Are there particular file formats that must be utilized when submitting payroll contributions and loan deduction data to your Firm? (Yes/No) If yes, briefly describe.
- B6. Are there any particular differences with formats or processes as they relate to services proposed for the 457, 401(a) or PEHP Plan? (Yes/No) If yes, please briefly explain.
- B7. What is the daily deadline time in the Plan Sponsor's time zone for you to receive the contribution file and funds and complete the investment of those contributions into the appropriate fund(s)?
- B8. As it relates to your record keeping system, what is the timeframe for participants to report errors after discovery?
- B9. Will you agree to make participants and/or the Plan(s) whole for any and all record keeping and/or administrative errors within your control? (Yes/No)



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- B10. Can your Firm tier the investment menu (meaning break up the core menu into sections with asset allocation funds in one tier and the core menu in another) on paper forms? (Yes/No) On the website/mobile? (Yes/No)
- B11. Does your Firm offer a Roth account deferral feature? (Yes/No) If no, describe your planned time-table for offering this feature.
- B12. Does your Firm offer a Roth in-service account conversion feature? (Yes/No) If no, describe your planned time-table for offering this feature.
- B13. If a participant is contributing to both traditional pre-tax and Roth after-tax, can they choose a different investment allocation for each (traditional versus Roth)?
- B14. Do your participant statements show pre-tax and Roth after-tax contributions separately so participants can track these investments separately? (Yes/No)
- B15. In terms of participant contribution capabilities, is your Firm able to process salary deferrals in the form of both percentages and dollar amounts?
- B16. Is your Firm able to move to paperless enrollment? (Yes/No) If yes, please briefly describe the process and what would be required of the Plan Sponsor.
- B17. Is your Firm able to move to paperless statements? (Yes/No) If yes, please briefly describe the process and what would be required of the participant(s). Could this be a default setting? (Yes/No)
- B18. Is your Firm able to implement automatic enrollment? (Yes/No) If yes, please briefly describe the ramifications and issues the Plan Sponsor will need to consider and explain your Firm's success with governmental agencies around automatic enrollment. If no, describe why not.
- B19. Can your Firm implement participant-directed auto-escalation? (Yes/No) If yes, please briefly describe.

Cyber Security:

- B20. Briefly describe your data security process. Include a brief description of how access to participant data (current and archived) is controlled and monitored (i.e., who specifically can view participant account data, who can print this data, who can remove this data from your facility either on a laptop, flash drive, CD or as a printed report). Limit your response to 300 words.
- B21. Briefly describe your data back-up process. Limit your response to 200 words.



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- B22. What form of encryption does your system use in storage?
- B23. What form of encryption does your system use in transit?
- B24. How many system security breaches has your organization experienced in the last three years? How many were under the current system?
- B25. State what participant information you share with external vendors or business partners.
- B26. How many external vendors and business partners do you share participant information with?
- B27. How frequently is the security of your data assessed by external parties? State the date of the most recent verification and the party that performed it and provide a summary of the assessment outcome. Include this in the Exhibit Folder and label it Exhibit 5.
- B28. Briefly describe how is indicative data, including Social Security numbers, protected against fraud/theft (both internal and external threats), and what security protocols are in use to guard against fraud/theft? Limit your response to 300 words.
- B29. What is your firm's policy for reimbursing participants who have lost assets from their plan accounts due to cyber-security events (hacking, etc.) and/or fraudulent activity? Describe any limits on losses that may apply at the Participant or Plan level. Limit your response to 300 words.

Custody:

- B30. Who would provide trustee/custodial services to the Plan? If not internal, disclose who you would partner with and the length of your relationship with them.
- B31. Provide a one-page diagram illustrating how assets flow from the client's account, showing every organization that touches participant assets. This should include any trust company, custodian, bank, pass through bank, record keeper and investment company, etc. Include this in the Exhibit Folder and label it Exhibit 6.
- B32. Provide a listing of the custodian's insurance coverage in the specific categories provided in the table below.



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Coverage	Amount of Coverage	Insurance Carrier
General Liability:		
Professional E&O:		
Financial Institution Bond:		
Cyber Security:		
Other(s):		

C. Transition

- C1. How many governmental DC plans (457 or 401(a)) of between \$250 million and \$5 billion in assets have you transitioned from other providers in the past five years?
- C2. For the most recent past five transitions of assets and participants you have performed for a governmental plan, what was the longest black-out period, and what was the average black-out period? Please address this in relation to both investment options in the core account and SDBO.
- C3. Provide an outline of your transition plan for the City’s Plans which addresses core accounts and SDBO accounts (current provider is Charles Schwab). Include a timeline that describes necessary actions, responsible parties and target completion dates. The transition plan must also directly address the capacity to integrate with City’s databases using the PeopleSoft software system. Please note that the City can only provide limited staff support to the transition process and that your involvement will be substantial. Include this outline in the exhibit tab and label it Exhibit 7.
- C4. How will you guarantee your stated implementation timeframe? How will you measure the success of the transition?
- C5. Provide a one-page outline of your plan for communicating the transition to participants. Include this in the exhibit tab and label it Exhibit 8.
- C6. Will you offer the City a dedicated transition management team? (Yes/No) If yes, briefly describe the team members and their roles including how many other transitions they might be working on coincident with the City’s; and how many prior transitions they have worked on in the past three years (include plan assets/number of plan participants).



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C7. Based on the City’s demographic data, complete the table below regarding your proposed on-site education/communication commitment for the transition period. This response should be based upon the total hours and days that could be committed to under the services contract. Thus, the numbers should not aggregate hours if multiple service personnel are assigned. If partial service days are considered in the proposal, the partial service days should not be counted as full days, but rather as their proportional equivalent of each day (for example: two half days equal one full day under the contract).

Proposed total number of service days	
Proposed total number of service hours	

- C8. How will you handle accounts already in distribution?
- C9. Describe your plan and capabilities for the transition of participant loans.
- C10. Briefly describe your approach to communicating with separated employees.
- C11. Will you process emergency distribution requests during the blackout? (Yes/No) Briefly describe how emergency distribution requests will be handled during the blackout.
- C12. Briefly explain any anticipated blackout periods and what transactions would be prohibited during this period.
- C13. How long do you anticipate the blackout period lasting?
- C14. Will participant assets be out of the market at any time during the transition? (Yes/No). If yes, briefly describe.
- C15. Are you able to transfer any of the plan assets/shares (including those in the SDBO) in-kind? (Yes/No) If yes, please identify and briefly explain.

D. References

Current Governmental Client References:

Provide the following information for three (3) governmental employers with plan assets greater than \$one billion for which your firm presently provides 457 and/or 401(a) recordkeeping and plan administration services. Select a contact person for each plan who has managerial/committee member responsibilities associated with the plan.



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Client name:	
Client assets:	
Contact name & title:	
Contact number:	
E-mail address:	
Address:	
Plan type(s) and recordkeeping services inception date(s):	
Total plan size/total participants:	

Former/Terminated Client References:

Provide the following information for three (3) governmental employers for which your firm has, in the last five years (but does not presently), provided 457 and/or 401(a) recordkeeping and plan administration services. Provide a contact person who has/had managerial/committee member responsibilities associated with the plan.

Client name:	
Contact name & title:	
Contact number:	
E-mail address:	
Address:	
Plan type(s) and recordkeeping services inception date(s):	
Termination date:	
Total plan size/total participants:	

Transition References:

Provide the following information for three (3) governmental 457and/or 401(a) plans with greater than \$250 million in assets each, for which you have performed an incoming plan asset and participant date transition within the past three years. If they are not already included in the 3 references, provide references for at least two (2) transitions which included SDBOs. Select a contact person at each client that was directly involved with the transition process.



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Client name:	
Contact name & title:	
Contact number:	
E-mail address:	
Address:	
Plan type(s) and recordkeeping services inception date(s):	
Termination date:	
Total plan size:	

TAB 2 - Method of Approach

E. Education, Communications, Counseling, and Online Investment Advice Services

- E1. How many on-site service representatives are being proposed for servicing the City's Plans?
- E2. Describe the physical and personnel resources you will provide to the City for on-site services such as office space, conference rooms and clerical support for meeting arrangements as relevant to the services provided.
- E3. Complete the following for each on-site service representative that would be assigned to the City. Only include the names of representatives who would meet face-to-face with participants. What minimum FINRA/Insurance licenses are required for on-site service representatives?

Representative's Name:	
Years at firm:	
Years in industry:	
Location:	
Total # of accounts serviced:	
Total assets serviced:	
Total # of participants serviced:	
University Degree(s)	



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(BA/BS/MBA, etc + School(s)):	
Professional Credential(s):	
FINRA/Insurance License(s):	

- E4. Would the service representative work out of his/her house or a local office?
- E5. Will the City be able to participate in the selection of the on-site service representative(s) assigned to the account? (Yes/No)
- E6. How would your firm handle a scenario where the City was not satisfied with the personnel assigned to the account?
- E7. Will you provide on-site, individual meetings and group sessions at sites and times specified by the City? Note that some City operations are 24/7. (Yes/No)
- E8. Can you offer investment advice to the City’s participants via an online/Internet advice provider? (Yes/No) If yes, complete the chart below:

Online advice vendor:	
Used since:	
# of participants utilizing service:	
# of plans utilizing service:	
Total \$ amount of participant assets in the service:	
Average participant utilization rate per plan:	

- E9. Can your firm provide online investment advice with assistance provided by your on-site counselors? (for example, the on-site counselor would be expected to explain the online advice tool to the participant, perform the data entry, and generate and explain the output of the service in a one-on-one meeting) (Yes/No) If yes, describe your process for offering this service.
- E10. The City is not seeking a Managed Account service from its plan administration provider. However, if your Managed Account service is coupled with online advice, could the City choose to exclude the Managed Account service and just offer online advice? (Yes/No) Briefly discuss as needed.



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- E11. If you have indicated above that your firm can provide investment advice through the use of an online advice tool, provide a sample investment advice report document and/or web page that is provided to participants. Include this in the exhibit tab and label it Exhibit 9.
- E12. Will your firm, or the online investment advice provider that you are partnered with, assume fiduciary responsibility for the investment advice given to participants? (Yes/No)
- E13. If your firm will partner with another firm to provide online investment advice, will the City be required to contract separately with that firm? (Yes/No)
- E14. Discuss the compensation structure for any contractor and/or employee (including the on-site service representatives) of your organization who would meet face-to-face with the participants and whether this compensation is one-time, recurring or varies based on the investments or products chosen by the participant.
- E15. Are your on-site service representatives or any other employees given incentives to sell the following products or services: on-line advice, guaranteed minimum withdrawal benefit or other annuity options, and/or managed payout options? (Yes/No) Whether the prior answer was yes or no, complete the tables below. State additional products or services that apply.

Approximate % of Total Compensation:		%
Base Rate / Salary		
Variable		
Is Variable Compensation Based on Adoption of:		Y/N
Fixed Rate / Stable Value		
Online Advice		
Guaranteed Minimum Withdrawal Benefit		
Managed Payout Options		
Proprietary Mutual Funds		
Roth or traditional IRA or Rollover IRA		
Other Retail Products		



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E16. How would you measure and benchmark the impact your communication and education efforts have on participant behavior? Briefly describe your capability to track and report to the City on a quarterly basis regarding the success or effectiveness of various communication and education outreach campaigns.

E17. Are you willing to conduct surveys to assess the success of any education program? (Yes/No). Please provide a participant survey example in the exhibit tab. Label this Exhibit 10.

E18. Do you offer retirement readiness scores or income gap analysis at the participant level? (Yes/No) If yes, please indicate your ability to offer the following:

	Yes/No
Participant retirement readiness scores or income gap analysis on statements:	
Participant retirement readiness scores or income gap analysis on web/landing page:	
Participant retirement readiness scores or income gap analysis on mobile devices:	

E19. How frequently would you propose participant surveys be conducted? How frequently can the City have participant surveys be conducted without incurring additional cost?

E20. Are you willing to put monetary performance guarantees on the effectiveness of certain education campaigns or survey outcomes? (Yes/No) If yes, please describe. For example, are you willing to put dollars at risk for failing to achieve enrollment, contribution rate and/or asset allocation goals? Or, are you willing to put dollars at risk for an average survey response that rated services below a prescribed standard?

E21. As it pertains to the performance guarantees, have you ever had to make payments to any clients for failure to perform on these types of guarantees? (Yes/No) If yes, please state how many times over the last three years such payments have been made.

E22. Are you able to provide the City with customized communication and educational materials, participant forms, and web pages at no cost to the City? (Yes/No) If yes, include definition of customization available, i.e. logo co-branding, specific references to City’s Plans, etc; types of materials which can be customized (see



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below list) and parameters related to customization of each item in below list. Please provide a sample document or print screen applicable to each item listed below as it relates to one of your clients of comparable size to the City.

	Yes/No	Brief Description
Website:		
Education booklets:		
Newsletters:		
Mailers:		
Participant statements:		
Mobile applications:		
Participant forms:		
Others:		

E23. Does your firm provide educational services to participants through the use of webinars, including interactive webinars? (Yes/No) If yes, provide a demo session on CD or through an Internet link.

E24. What does your firm do to encourage participants to use the educational tools available to them?

E25. Do participant statements aggregate all account information if the employee were to have multiple plans/accounts with you? (Yes/No)

E26. What external accounts, not held with your organization, can a participant aggregate into your system?

E27. Does your system capture external account information at initial input? (Yes/No) For example, participant enters initial external account data and upon subsequent log-ins, the external account data populates.

E28. Can your system capture and include participant defined benefit plan information, in statements or in a retirement income calculation or gap analysis? (Yes/No) If



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yes, briefly describe what communication or data feeds you will need from the Plan Sponsor to include this information.

E29. Do all statements allow for a customized message from the City? (Yes/No) If yes, what limitations are placed on the size and length in words or characters of the message?

E30. Complete the chart below regarding information available on participant 457 and 401(a) plan(s) statements. Mark (Yes/No) as appropriate or fill in the requested number of business days.

	Yes/No
Monthly fund performance:	
Quarterly fund performance:	
1-year fund performance:	
3-year fund performance:	
5-year fund performance:	
10-year fund performance:	
Cash flow for quarter:	
Roth deferrals for quarter:	
Asset allocation:	
Total assets:	
Total Roth assets:	
Total outstanding loan amount:	
Loan repayment detail:	
Personal rate of return:	
Does the return take into account cash flow:	
Expense ratios:	
Defined benefit assets (if applicable):	
Projected retirement income based upon account balance and growth assumptions:	
Retirement readiness score:	
	# Business



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	Days
How many days after quarter-end are statements mailed?	
How many days after quarter-end until statements are available online?	
How long are statements available?	

E31. Are any of the statement information items provided in the table above different for a PEHP Plan? (Yes/No) If yes, please explain.

E32. If applicable, what method is used to calculate the personal rate of return? Explain your calculation method.

E33. Provide a sample quarterly participant account statement for a 457 or 401(a) plan.

E34. Can participants print on-demand account statements with self-selected time periods from your website? (Yes/No)

E35. Complete the following table regarding the information and transaction capabilities available to Plan participants through Phone Service Representatives (“PSR”), Voice Response Unit (“VRU”), and Internet. For the starred transactions, complete the “Time Needed to Complete Transaction” column showing any timing differences that may exist among the three forms of access (PSR, VRU and Internet).

(Indicate availability with Yes/No)

Participant Inquiry/Transactions	PSR	VRU	Internet	*Time Needed to Complete Transaction
Total Account Balance				
Roth Account Balance				
Account Balance by Fund				
Roth Account Balance by Fund				
Investment Elections				
Deferral Rate				
Roth Deferral Rate				
Contribution History				



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Participant Inquiry/Transactions	PSR	VRU	Internet	*Time Needed to Complete Transaction
Transaction History				
Withdrawal History				
Outstanding Loan Balance				
Loan History				
Loan Modeling*				
Beneficiary Designation*				
Fund Performance				
Automatic Rebalance*				
Paperless Fund to Fund Transfers*				
Paperless Future Investment Election Change*				
Paperless Enrollment*				
Paperless Deferral/Roth Deferral Change*				
Prospectus Request*				
Paperless Loan*				
Paperless Term Distribution*				
On-Line Investment Advice				
Hardship Application and Status*				
Account Distribution Information				

E36. Complete the following table regarding the information and transaction capabilities that would be available to PEHP Plan participants through Phone Service Representatives (“PSR”), Voice Response Unit (“VRU”), and Internet. For the starred transactions, complete the “Time Needed to Complete Transaction” column showing any timing differences that may exist among the three forms of access (PSR, VRU and Internet).



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(Indicate availability with Yes/No)

Participant Inquiry/Transactions	PSR	VRU	Internet	*Time Needed to Complete Transaction
Total Account Balance				
Account Balance by Fund				
Investment Elections				
Contribution Rate				
Contribution History				
Transaction History				
Withdrawal History				
Beneficiary Designation*				
Fund Performance				
Paperless Enrollment*				
Paperless Term Distribution*				
Account Distribution Information				

E37. Where are your customer service centers located? Note hours of operation in Mountain Standard Time.

Location	Days of Operation	Hours of Operation	# of Service Reps

E38. What securities licenses are your service center representatives required to maintain? Provide your answer in the table below.

Licenses	Yes/No
Series 6	
Series 7	



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Licenses	Yes/No
Series 63	
Series 65	
Series 66	
Insurance	
Others (List)	

E39. Outside of online advice offerings and self-directed brokerage options, are there any other outside contractors or vendors that would provide services to the Plans? (Yes/No). If yes, briefly describe.

E40. Complete the following table regarding your call center and website:

	2019	2018	2017	2016	2015
Average call response time (Min: Sec):					
Average length of calls (Min: Sec):					
# of dropped calls:					
% of transactions handled by VRU:					
% of transactions handled by WEB:					
% of transactions handled by CSR*:					
Call center personnel turnover rate:					

*CSR - Customer Service Representative

E41. Are participants able to enroll and make changes to their accounts by filling out a paper form? (Yes/No)

E42. Does the plan sponsor have the ability to create a custom participant message for posting on the Internet site? (Yes/No) If yes, what limits are placed on the size of the message?



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- E43. Does your firm provide for on-line participant loan applications? (Yes/No)
- E44. What is the latest time that a participant can make an investment transfer request and be assured that the transaction will be processed at the end of that day? Time should be listed in Mountain Standard Time.
- E45. Provide a test address and password in the table below for a representative participant website access experience.

	Sample Website
Web address:	
Log-in:	
Password:	

- E46. Explain how phone and website passwords are assigned and changed.
- E47. Once your firm receives a participant distribution or rollover request, how long does it take in business days for a check to be mailed out?
- E48. Once your firm receives a participant distribution or rollover request, how long does it take in business days for an electronic payment to be made to the participant’s bank account?
- E49. Can participants select their own periodic payment distribution dates? (Yes/No)
- E50. Can participants specify a specific fund source and/or fund order for the distribution? (Yes/No)
- E51. Can participants specify a specific tax source (i.e. pre or post/Roth) and/or tax source order for the distribution? (Yes/No)
- E52. Can this be changed at a later date? (Yes/No)
- E53. Briefly describe any other participant services, not already noted in this response, that you would make available to the City. Number each item.

F. Plan Sponsor Services

- F1. Complete the table for any person who works with the plan sponsor, such as the local program director/manager, as well as regional field managers or “relationship managers”. Exclude personnel stated in Section D unless applicable. Describe any



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minimum educational, professional credential or FINRA/insurance requirements you have for these positions.

Representative's Name:	
Years at firm:	
Years in industry:	
Location:	
Total # of accounts serviced:	
Total assets serviced:	
Total # of participants serviced:	
List total assets and total number of participants for each assigned account	
University Degree(s) (BA/BS/MBA, etc + School(s)):	
Professional Credential(s):	
FINRA/Insurance License(s):	
Work schedule (days and hours):	
Anticipated turnaround time for returning phone calls:	

- F2. Briefly describe your organization's commitment to quality and your philosophy/approach to client services.
- F3. Briefly describe how you monitor both plan sponsor and participant satisfaction.
- F4. How frequently do you conduct client satisfaction surveys of your clients (plan sponsor level)?
- F5. Complete the table below regarding the reports you currently provide to plan sponsors and/or committee members. Provide sample (no more three) plan activity report(s) from a 457 deferred compensation, 401(a) defined contribution and/or post-employment health plan which reflects the applicable asset and participation related information indicated under Section III Scope of Work, Item 9. (a) through 9. (e). We prefer the samples represent report(s) provided to client(s) with plan(s) assets comparable to the City's Plan(s) assets. Reports must be of similar complexity and demonstrate the Offeror's ability and experience to successfully perform the services. (Maximum 5 pages per sample report.)



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F6. Provide each of the following: daily, monthly, quarterly, and annual accounting statements and reports for DCP/ PEHP Plans. (Include enough pages of each report to demonstrate its use and features; total reports are not required). Include with your proposal a set of screen formats used for electronic delivery. All sample plan administration reports are to be included in the exhibit tab and labeled as Exhibit 13.

Report	Frequency	Available in paper?	Available on Web?

(Expand as necessary)

Are there any particular reports that are not available for the 401(a) or PEHP Plan? (Yes/No) If yes, please briefly describe.

F7. Provide a test log-in address and password to the plan sponsor website or demo website.

Sample Website	
Web address:	
Log-in:	
Password:	

F8. The City intends that all administrative functions in the table below will be outsourced to the Provider. Please confirm which administrative functions the City may outsource to your firm, assuming they make use of these administrative services and authorize your firm to make approvals.

(Yes/No)	Will Offeror perform this Function?	Once authorized, will the Offeror carry out this function without further plan sponsor involvement?
Qualified Domestic Relations Order (QDRO) Review		



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(Yes/No)	Will Offeror perform this Function?	Once authorized, will the Offeror carry out this function without further plan sponsor involvement?
QDRO Approval		
Emergency Distribution Review		
Emergency Distribution Approval		
Beneficiary Change Processing		
Term Distribution Processing		
Min. Required Distribution		
Deminimus Distribution Processing		
Plan Document Review/Update		

F9. What is the total number of clients managed by each of the proposed plan sponsor service team members? Provide a specific number (as opposed to summary statistics).

Total # of accounts serviced:	
Total assets serviced:	

F10. How many staff members are assigned to the plan sponsor service team referenced above?

F11. Provide a sample plan sponsor quarterly statement for a 457 plan. Include this in the exhibit tab and label it Exhibit 14.

F12. Will your firm assign the City an account manager that will serve as a single point of contact? (Yes/No)

F13. Complete the table below indicating the information and services you provide specifically to plan sponsors over the Internet.



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(Yes/No)	Offeror will offer this Function?	Available for 401(a) Plan?	Available for PEHP Plan?
Report Writing Capabilities			
Payroll Deferral Posting Data			
Participant Account Balance Information			
Plan Account Balances by Fund			
Indicative Data Changes			
Withdrawal Request/Status Tracking			
Total Outstanding Loan Balances			N/A
Total # of Loans in default			N/A

F14. Is your firm prepared to offer a Roth 457 account deferral feature at this time? (Yes/No) If no, describe your planned time-table for offering this feature, if ever.

F15. Is your firm prepared to offer the Roth 457 in-service account conversion feature at this time? (Yes/No) If no, describe your planned time-table for offering this feature, if ever.

F16. Describe when and how the plan sponsor and participants are notified of loan default status, either while in service or post-separation. Be sure to include an explanation of what assistance you require from the plan sponsor in this regard.

F17. Describe your firm’s participant loan administration processes and capabilities, including how a participant applies for a loan and how the deduction information is transmitted to the plan sponsor.

F18. In the past five years, have any of your firm’s public sector clients experienced participant loan defaults that were not reported to the plan sponsor and/or participant in a timely fashion, resulting in taxes not being paid in the correct year? (Yes/No) If yes, how many plans managed by your firm experienced such an event?

F19. Complete the table below regarding the percentage of DC plans and specifically 457 plans, that offer automatic-enrollment and/or a Roth deferral feature.



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Year	% of Total DC Plans with Auto-enroll	% of Total DC Plans with Roth Deferral	% of Governmental 457 Plans with Auto-enroll	% of Governmental 457 Plans with Roth deferral
2019				
2018				
2017				
2016				

- F20. Do you need the plan sponsor to specifically identify whether a 457 plan participant is making regular contributions, normal retirement age catch-up contributions, and/or age 50+ catch-up contributions? (Yes/No - for each contribution type)
- F21. Briefly describe any other administrative outsourcing services, not yet noted, that you would make available to the City.
- F22. Are all communication and education services configured to comply (at a minimum) with the provisions of applicable federal and state law? (Yes/No)
- F23. Does your firm apply the DOL plan sponsor and participant regulations requiring fee disclosure to participants and plan sponsors in your work with non-ERISA governed plans such as the City's? (Yes/No) If no, briefly explain why and timeframe in which you could comply with those regulations in relation to the City's 457 and 401(a) Plans.
- F24. Are you willing to indemnify and hold the City harmless from any legal claims and actions arising out of the educational activities you provide to Plan participants? (Yes/No) If no, briefly explain.
- F25. Will you provide legal assistance to assure the Plans operate in compliance with current and future IRS Section 457 and 401(a) provisions? (Yes/No)
- F26. How will you inform the City of actual or contemplated changes in laws or regulations that would impact any of the City's three plans?
- F27. Will your firm provide and maintain model 457 plan documents for the City? (Yes/No) 401(a) plan document? (Yes/No)
- F28. Does your firm provide a plan sponsor newsletter? (Yes/No) If yes, provide a copy of the most recent edition of this newsletter. Include this in the exhibit tab and label it Exhibit 15.



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F29. Currently the City’s record keeper provides for “view-only” access to select Registered Investment Advisers (“RIA”) for the 457 and 401(a) plans (see RIA Access Exhibit for documents). Can your firm provide this service? (Yes/No) If yes, please confirm that you will include a brief summary of RIA activity in your quarterly reports.

G. Investments and Investment Flexibility

G1. If the City so required, would you be able to maintain the Plan’s current line-up of funds as offered by the incumbent recordkeeper? (Yes/No) As applicable, please describe any issues (non-revenue sharing requirement aside) that you may have with maintaining the current line-up.

G2. Provide a list of all stable value products that are currently available through your investment platform.

Product Name	Expense Ratio	Revenue Share	Net Crediting Rate

G3. Do you have restrictions on the number of trades a participant may make in a month, quarter, and year? (Yes/No) If yes, briefly describe. Please note that the Provider is expected to implement the Board’s policy regarding market timing.

G4. What is your process for identifying excessive participant trading in retirement plan accounts and reporting these events to the participant and plan sponsor?

G5. Can your organization apply short-term redemption fees? Is it your rule of business to apply short-term redemption fees in accordance with the fund company’s policies? (Yes/No)

G6. How are participants notified if a trade they are making will have a redemption fee assessed? Does your system provide them guidance on how to avoid this charge? (Yes/No). If yes, briefly describe.

G7. How are participant investment related account errors handled, including the reporting of them to the plan sponsor, and how long does the participant have to report errors after discovery?



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- G8. How long will it take you to add/remove a fund from the City’s Plan once you have been given instructions?
- G9. If a fund is not setup on your network/platform, are you willing to add new funds? (Yes/No)
- G10. Are you willing to process non-NSCC eligible investment options? (Yes/No) If yes, please describe any costs associated with the trades.
- G11. Are fund additions and deletions subject to any set schedule such as monthly, quarterly or annual? (Yes/No) If yes, define the schedule.
- G12. Briefly describe any restrictions to adding new funds to your platform.
- G13. Provide an entire list of the funds available through your proprietary and alliance networks. This list should include ticker symbols, expense ratios and revenue share information available for every fund. Segment the list by asset class. Provide this report in an Excel spreadsheet on a CD and hard copy in the exhibit tab and label it Exhibit 16.
- G14. Answer Yes/No in the table below to indicate your firm’s ability to provide recordkeeping for City options that may include:

Investment Type	Yes/No
Non-proprietary Commingled Trust Investment Products	
Non-proprietary Separately Managed Account Investment Products	
Exchange Traded Funds (ETFs)	
Non-proprietary Annuity/Guaranteed Retirement Income Products	

- G15. Do you offer Self-Directed Brokerage Option (SDBO) Accounts? (Yes/No)
- G16. Could you use the incumbent broker, Charles Schwab Personal Choice Retirement Account for the SDBO? Which other brokerage house(s) can be utilized?
- G17. What types of securities are participants able to trade via the SDBO?



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	Yes/No
Stocks	
Bonds	
ETFs	
Mutual Funds	
Stock Options	
Closed-end LP	

- G18. Do you have the ability to restrict trading in certain securities? (Yes/No) If yes, please briefly explain.
- G19. Discuss the process of transferring assets to/from the core account, and any restrictions in trading frequencies, asset amounts or timing that may be imposed in the SDBO.
- G20. Describe what information your quarterly statements include regarding specific transactions conducted in the SDBO.
- G21. Provide a sample participant statement that your recommended SDBO partner would provide to participants. Include this in the exhibit tab and label it Exhibit 17.
- G22. Do you currently offer any sort of Guaranteed Minimum Withdrawal Benefit (GMWB) product? (Yes/No) If yes, please briefly describe the product including a description of the investment vehicle(s), pricing and portability for both the participant and the plan sponsor. Include this description in the exhibit tab and label it Exhibit 18.
- G23. The City currently offers blended white-labelled options in the US Large Cap, US Mid Cap, and US Small Cap asset classes consisting of a 50/50 allocation to two actively managed mutual funds. Please answer the following:
1. Can your firm continue to offer these options in their current form (Yes/No)? Please describe if no.
 2. Please state all fees, if any, for providing these options.
 3. If your firm can provide these options, please state which investment vehicles (mutual funds, collective investment trusts, separate accounts, and others) may be used as the underlying funds.



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4. Please state any limitations as to the number of and allocation to the underlying funds for each option.
5. Please state and describe if the City must contract with a separate custodian to provide these services.
6. Can your firm provide customized fund fact sheets displaying composition, investment performance, expenses, and appropriate disclosures for participant viewing?
7. Is a liquidity-buffer fund (such as an index fund) required in order to maintain these options?
8. How frequently can your firm rebalance the underlying funds to their target allocations?
9. Can your firm strike a daily net asset value for these options?
10. Can your firm offer these options within the PEHP?

TAB 3 - PRICING

A. PRICING COMPONENT

Note: The contract will not be awarded solely on the basis of price.

- Offeror must list all proposed fees that will be collected from participants and participant assets either directly or indirectly by either the vendor or any third party.
- Offeror must also disclose any and all fees that are exchanged among the vendor and other third party such as investment managers (revenue sharing, rebates, commissions, etc.).
- Where applicable, fees must be expressed as rates or formulae with all relevant factors clearly stated.
- Fixed or per transaction fees must be stated as such (for example x% of participant balance as of end of month or \$x per transaction).
- Offeror must make a full disclosure of all fees, including but not limited to front-end loads, back-end loads, penalties of any kind, 12(b)-1 fees, revenue sharing, rebates, etc.
- Fees, charges or costs that are not stated on this Fee Schedule will not be authorized.

B. FEE PROPOSAL

In developing your proposed pricing for these plans, please adhere to the following guidelines:



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- While there are questions below that deal with revenue sharing and its application, the City is very interested in a pricing and investment model that does not require the use of revenue sharing investment options. Where revenue sharing options are the only alternative, the City is looking to engage a model that provides for a more equitable distribution of that revenue to the participants that are actually invested in the funds that produced it. The City is also interested in recordkeeping pricing models that are designed around flat-dollar, per-participant fees and has structured several questions with this type of model in mind. 100% of revenue-sharing monies if any, both proprietary and non-proprietary (sub-transfer agent fees, 12b-1 fees, and any other revenue reimbursements paid by investment managers to the record keeper or plan administrator) will be paid to the benefit of the plan sponsor, and not retained by the bundled provider.
- The contract will be for 5 years.
- The investment manager lineup will be selected from investments available on the Offeror’s platform, and fee proposals are NOT contingent upon the acceptance of a specific investment lineup proposed by your firm.

Administration Services:

1. Complete the table below, showing your firm’s proposed annual fee, **as a percentage of plan assets excluding participant loans**, for providing all record-keeping, participant services, plan sponsor services and on-site education and counseling covered by Section III Scope of Work, assuming a 5 year contract. If you are not responding to the PEHP Plans, please indicate “N/A”

Contract Term	457 Deferred Comp Plan and 401(a) Plan	PEHP Only	All Three Plans Combined	Name of proprietary product(s) or service(s) required
Years 1-5				

2. Are the fees provided in question 1 above contingent upon the use of any proprietary products or services, such as (but not limited to) a specific stable value/general account option, online advice services and/or brokerage option? (Yes/No) If yes, please state what your fee would be without the use of any such proprietary offerings.



SECTION III – EVALUATION REQUIREMENTS

CITY OF PHOENIX

Contract Term	457 Deferred Comp Plan and 401(a) Plan	PEHP Only	All Three Plans Combined
Years 1-5			

3. Please provide your firm’s proposed annual **per-participant, fixed dollar fee** for providing record-keeping, administration, participant services, and on-site education and counseling covered by Section III Scope of Work for the Plans assuming the contract terms set forth in Section II.

Contract Term	457 Deferred Comp Plan and 401(a) Plan	PEHP Only	All Three Plans Combined	Name of proprietary product(s) or service(s) required
Years 1-5				

4. Are the fees provided in question 3 above contingent upon the use of any proprietary products or services, such as (but not limited) to a specific stable value/general account option, online advice services and/or brokerage option? (Yes/No) If yes, please state what your fee would be without the use of any such proprietary offerings.

Contract Term	457 Deferred Comp Plan and 401(a) Plan	PEHP Only	All Three Plans Combined
Years 1-5			

5. If the final investment line-up selected were to generate some amount of revenue sharing, will you rebate any and all revenue above the contracted amount provided



SECTION III – EVALUATION REQUIREMENTS

CITY OF PHOENIX

above to the Plan? (Yes/No) If yes, when or how frequently would this rebate occur?

6. The City plans to assess participants a plan sponsor-imposed asset-based fee to offset plan administration-related expenses. This fee will be assessed to each investment option but will be reduced to the extent that the Provider collects any revenue sharing on the investment option. If revenue sharing on a particular fund exceeds the combined cost of the Provider's fee and the City's internal costs, such excess will be deposited in an interest earning account retained within the Plans. Will your firm assess this fee on behalf of the City? (Yes/No). If yes, please briefly describe, addressing the frequency of the fee and how it would be calculated and assessed.
7. If the response to question 6 is yes, what are the plan sponsor options in terms of the setup of the account to hold such assets, and in what types of vehicles may the assets be invested?
8. As it relates to the plan sponsor administrative fee described above, will your firm, if directed, apply a hard dollar annual per participant fee cap? (Yes/No)

For example: The plan sponsor may wish to assess participants a plan administration fee of 0.10% of assets, but only to a maximum of \$150 per year. (Participants with over \$150,000 in assets would pay a maximum of \$150 and the 0.10% would not be applied to balances greater than \$150,000.)

9. Will your firm, if directed, credit revenue sharing from the investment providers towards offsetting any per-participant plan administration fee? (Yes/No)
10. Will your firm, if directed, return revenue sharing from investment providers in a pro-rata fashion directly back to the participants who had invested in those funds each quarter, if so, directed by the plan sponsor? (Yes/no) If yes, please briefly describe.

For example: Participant A invests in Fund A and Fund B. Fund A generates 0.25% in revenue share annually and Fund B generates 0.15% annually. Participant A holds 0.5% of the plan's total investment in Fund A and 0.5% of the plan's total investment in Fund B. Each quarter 0.5% of the revenue received or credited from Fund A would be reimbursed into Participant A's account and 0.5% of revenue from Fund B would be reimbursed into Participant A's account. Other participants with different proportionate shares of the plans total investments in Fund A and Fund B would receive different reimbursements in accordance with their proportional share of those funds.

**SECTION III – EVALUATION REQUIREMENTS****CITY OF PHOENIX**

11. Will your firm apply different revenue sharing rebate credits and/or administrative fee offsets at the participant level as applicable to each fund? (Yes/No) If yes, please briefly describe.

For example: A participant invests in Fund A, Fund B and Fund C. Fund A generates 0.25% in revenue share annually, Fund B generates 0.10% annually and Fund C generates no revenue sharing. The plan sponsor has elected to assess all participants a 0.10% administrative fee annually that can be partially or fully offset by any fund revenue sharing. Accordingly, participant assets that are invested in Fund A that shares 0.25% would receive an account credit of 0.15% based on the assets in Fund A; participants in Fund B would receive no credit and no applicable administrative charge assessed to the assets in Fund B; and participants in Fund C would be charged the full 0.10% on the assets invested in Fund C.

12. As a requirement to contracting with the City, will you commit in writing to specifically disclosing all revenues received from the investment options and services you offer to the City on a quarterly basis? (Yes/No)
13. What is the total revenue you would expect to receive from investment providers for recordkeeping the Plan’s current investment line-up? The total should include all the revenue you would receive from arrangements with the investment provider firms.
14. Complete a table describing the revenue available (if applicable) on your platform for your replication of the current Plan line-up. Please assume the assets are allocated as provided in the Total Assets column in each table. Assets are as of September 30, 2019.

457 Deferred Compensation Plan			
Fund Name	Ticker	Total Assets	Expense Ratio
City of Phoenix Stable Income	-	\$305,801,855	0.11%
Metropolitan West Total Return Bond Plan	MWTSX	\$49,674,272	0.37%
PIMCO All Asset Instl	PAAIX	\$3,314,589	1.12%
City of Phoenix Large Cap Stock	-	\$236,551,002	0.63%
Vanguard Institutional Index Instl	VINIX	\$78,937,610	0.04%
City of Phoenix Mid Cap Stock	-	\$70,530,836	0.89%
Vanguard Extended Market Index Instl	VIEIX	\$15,722,983	0.06%
City of Phoenix Small Cap Stock	-	\$46,650,857	0.96%
Vanguard Total Intl Stock Index I	VTSNX	\$5,793,468	0.09%



SECTION III – EVALUATION REQUIREMENTS

CITY OF PHOENIX

457 Deferred Compensation Plan			
Fund Name	Ticker	Total Assets	Expense Ratio
American Funds EuroPacific Growth R6	REGX	\$53,652,048	0.49%
American Funds 2010 Target Date Retire R6	RFTTX	\$10,516,480	0.33%
American Funds 2015 Target Date Retire R6	RFJTX	\$18,706,971	0.33%
American Funds 2020 Target Date Retire R6	RRCTX	\$35,894,397	0.34%
American Funds 2025 Target Date Retire R6	RFDTX	\$53,572,569	0.36%
American Funds 2030 Target Date Retire R6	RFETX	\$52,401,028	0.38%
American Funds 2035 Target Date Retire R6	RFFTX	\$62,816,945	0.39%
American Funds 2040 Target Date Retire R6	RFGTX	\$45,497,792	0.40%
American Funds 2045 Target Date Retire R6	RFHTX	\$40,396,515	0.40%
American Funds 2050 Target Date Retire R6	RFITX	\$24,596,615	0.41%
American Funds 2055 Target Date Retire R6	RFKTX	\$7,062,259	0.42%
American Funds 2060 Target Date Retire R6	RFUTX	\$3,751,078	0.44%
	TOTAL	\$1,221,842,169	

401(a) Plan			
Fund Name	Ticker	Total Assets	Expense Ratio
City of Phoenix Stable Income	-	\$104,107,809	0.11%
Metropolitan West Total Return Bond Plan	MWTSX	\$14,669,850	0.37%
PIMCO All Asset Instl	PAAIX	\$909,257	1.12%
City of Phoenix Large Cap Stock	-	\$67,589,630	0.63%
Vanguard Institutional Index Instl	VINIX	\$24,622,248	0.04%
City of Phoenix Mid Cap Stock	-	\$23,168,599	0.89%
Vanguard Extended Market Index Instl	VIEIX	\$4,610,153	0.06%
City of Phoenix Small Cap Stock	-	\$15,078,636	0.96%
Vanguard Total Intl Stock Index I	VTSNX	\$1,586,971	0.09%
American Funds EuroPacific Growth R6	REGX	\$15,770,443	0.49%
American Funds 2010 Target Date Retire R6	RFTTX	\$2,303,702	0.33%
American Funds 2015 Target Date Retire R6	RFJTX	\$5,136,809	0.33%
American Funds 2020 Target Date Retire R6	RRCTX	\$13,167,461	0.34%
American Funds 2025 Target Date Retire R6	RFDTX	\$23,088,756	0.36%
American Funds 2030 Target Date Retire R6	RFETX	0.38%	
American Funds 2035 Target Date Retire R6	RFFTX	\$26,290,102	0.39%
American Funds 2040 Target Date Retire R6	RFGTX	\$21,861,233	0.40%
American Funds 2045 Target Date Retire R6	RFHTX	\$20,614,193	0.40%
American Funds 2050 Target Date Retire R6	RFITX	\$13,143,563	0.41%



SECTION III – EVALUATION REQUIREMENTS

CITY OF PHOENIX

401(a) Plan			
Fund Name	Ticker	Total Assets	Expense Ratio
American Funds 2055 Target Date Retire R6	RFKTX	\$4,520,273	0.42%
American Funds 2060 Target Date Retire R6	RFUTX	\$2,046,443	0.44%
	TOTAL	\$428,654,013	

Post-Employment Health Plan			
Fund Name	Ticker	Total Assets	Expense Ratio
Nationwide Fixed Assets	-	\$78,498,902	-
Vanguard Federal Money Market Inv	VMFXX	\$273,866	0.11%
Vanguard Total Bond Market Index Adm	VBTLX	\$863,330	0.05%
Vanguard Institutional Index Instl	VINIX	\$15,621,443	0.04%
Vanguard Mid Cap Index Adm	VIMAX	\$4,209,911	0.05%
Vanguard Small Cap Index Adm	VSMAX	\$2,852,863	0.05%
Vanguard Total Intl Stock Index I	VTSNX	\$2,165,839	0.08%
American Funds 2010 Target Date Retire R6	RFTTX	\$0	0.33%
American Funds 2015 Target Date Retire R6	RFJTX	\$0	0.33%
American Funds 2020 Target Date Retire R6	RRCTX	\$16,823	0.34%
American Funds 2025 Target Date Retire R6	RFDTX	\$51,390	0.36%
American Funds 2030 Target Date Retire R6	RFETX	\$77,748	0.38%
American Funds 2035 Target Date Retire R6	RFFTX	\$19,840	0.39%
American Funds 2040 Target Date Retire R6	RF GTX	\$33,681	0.40%
American Funds 2045 Target Date Retire R6	RFHTX	\$26,147	0.40%
American Funds 2050 Target Date Retire R6	RFITX	\$55,401	0.41%
American Funds 2055 Target Date Retire R6	RFKTX	\$4,162	0.42%
American Funds 2060 Target Date Retire R6	RFUTX	\$10,852	0.44%
Nationwide ID Conservative R6	GIMCX	\$341,811	0.48%
Nationwide ID Mod-Conservative R6	GMIMX	\$1,306,570	0.50%
Nationwide ID Moderate R6	GMDIX	\$30,746,682	0.51%
Nationwide ID Mod-Aggressive R6	GMIAX	\$10,265,169	0.55%
Nationwide ID Aggressive R6	GAIDX	\$8,931,677	0.54%
	TOTAL	\$156,374,107	

**SECTION III – EVALUATION REQUIREMENTS****CITY OF PHOENIX**

PLEA Post-Employment Health Plan			
Fund Name	Ticker	Total Assets	Expense Ratio
American Century Heritage Fund - Investor Class	TWHIX	\$52,323	1.01%
American Century Ultra Fund	TWCUX	\$136,775	0.97%
Fidelity Advisor Small Cap Fund - Class A	FSCDX	\$34,764	0.97%
Goldman Sachs Mid Cap Value Fund	GCMAX	\$12,525	1.22%
Invesco Growth and Income Fund - Class A	ACGIX	\$50,941	0.80%
Invesco Oppenheimer Global Fund - Class A	OPPAX	\$48,924	1.08%
JPMorgan International Equity Fund - Class I	VSIEX	\$26,519	0.95%
Nationwide Fixed Account	N/A	\$9,215	0.00%
Nationwide Fund - Institutional Service Class	MUIFX	\$341,059	0.73%
Nationwide Gov't Money Market - Investor Shares	MIFXX	\$17,518	0.58%
Nationwide ID Aggressive - Service Class	NDASX	\$338,859	0.94%
Nationwide ID Conservative - Service Class	NDCSX	\$5,729	0.88%
Nationwide ID Moderate - Service Class	NSDMX	\$200,483	0.91%
Nationwide ID Moderately Aggressive - Service Class	NDMSX	\$36,031	0.95%
Nationwide ID Moderately Conservative - Service Class	NSDCX	\$210,979	0.90%
Nationwide Mid Cap Market Index Fund	GMXAX	\$90,390	0.68%
Nationwide S & P 500 Index Fund	GRISX	\$25,816	0.41%
Nationwide Small Cap Index Fund	GMRAX	\$4,910,075	0.72%
PIMCO Total Return Fund	PTTAX	\$26,706	1.05%
TOTAL		\$6,575,628	

15. Provide a fee schedule for each Self-Directed Brokerage Option (SDBO) that you are proposing. Be sure to include set-up and maintenance fees as well as trading costs.
16. What direct or indirect revenue, if any, would you receive from any SDBO?
17. Would you include the assets invested through the SDBO in the calculation of the revenue requirement provided for in this section? (Yes/No). If yes, would you include the revenue received for SDBO assets in the revenue calculation? (Yes/No)
18. If applicable, will your firm credit all revenue received from assets invested in the SDBO back to the participant accounts associated with the SDBO investment? (Yes/No) If yes, please briefly describe.



SECTION III – EVALUATION REQUIREMENTS

CITY OF PHOENIX

19. Are you able to apply the plan sponsor initiated assessment referenced in 6 and/or the hard dollar annual fee cap referenced in 10 to all participant assets, including those invested through the SDBO? (Yes/No) If no, please briefly describe the process for billing SDBO assets in this regard.
20. Complete the following charts illustrating the on-line trading costs associated with each SDBO. Include only the total trading cost per security. Assume no contingent fees (such as short-term redemption fees) are paid. DO NOT INCLUDE ANYTHING ELSE and verify its accuracy.

Stock Trade	100 shares ticker: MSFT	10,000 shares Ticker: CYDY
Stock trade cost:		

Assumptions:

MSFT – Microsoft Corp. – Assume \$26 per share

CYDY – Cytodyn, Inc. – Assume \$1.50 per share

Bond Trade	\$10,000 Par Value Corporate Bond	\$10,000 Par Value US Treasury Bond
Bond trade cost:		

Assumptions:

Corporate Bond – \$10,000, AAA rated bonds trading at par value

US Treasury Bond – \$10,000, 5-yr US Treasuries trading at par value

Mutual Fund Trade	200 shares ticker: VFINX	200 shares ticker: BARAX
Mutual fund trade cost:		

Assumptions:

VFINX – Vanguard 500 Index – Assume \$112 per share

BARAX – Baron Asset – Assume \$55 per share

21. What is the proposed annual account fee for the self-directed brokerage options?



SECTION III – EVALUATION REQUIREMENTS

CITY OF PHOENIX

- 22. Do the brokerage firm(s) with whom you partner provide any compensation to your organization (including revenue share from funds)? (Yes/No) If yes, briefly describe. Will the specific dollars you receive in compensation be disclosed in a 408(b)(2) or other such similar notice?
- 23. Please provide a fee schedule for your online advice program. Since the City is not interested in a managed account program offered by the plan administration firm, your firm must be able to price online advice separately from managed accounts in order to offer online advice. Please also indicate whether or not the revenue for this program would apply towards any revenue or pricing requirements provided in paragraphs 4-6 above.
- 24. Provide a list of all other non-asset based, participant-related administration expenses. Items such as per head recordkeeping fees, loan fees, and additional withdrawal processing expenses should be included.

Participant Administration Services	Cost of Services
Loan set-up	
Loan maintenance	
In-service withdrawals	
Emergency withdrawals	
Required minimum distributions	
QDRO determination	
QDRO processing	
Stop payment	
Replacement 1099-R	
Wire transfer/ETF	
(others): list	

- 25. Provide a list of all non-asset based plan sponsor-related administrative expenses. This would include special reporting charges, legal fees, administrative processing fees, communications fees, QDRO administration fees, and plan document preparation fees (including any fees to maintain, update, and/or ensure compliance of such document with the Internal Revenue Code.)



SECTION III – EVALUATION REQUIREMENTS

CITY OF PHOENIX

Plan Sponsor Administration Services	Cost of Services
Plan reporting	
Plan document preparation	
Plan document maintenance	
Identifying population eligible for required minimum distribution	
Lost participant/bad address search	
Assistance with audits	
(others): list	

26. Identify all non-asset based participant and plan sponsor service fees not included above.
27. Are there any other unique flat dollar and/or asset based fees associated with the 457 Plan, 401(a) Plan or PEHP? (Yes/No)
28. Will you agree to make participants and/or the Plans whole for any and all recordkeeping and/or administrative errors within your control? (Yes/No)
29. Complete the following table describing the performance guarantees, if any, you propose for fulfilling Performance Standards for the **457 Deferred Compensation and 401(a) Plans**. Disclose the dollars you are willing to put at risk for failing to meet the proposed benchmarks. Include this in the exhibit tab of your RFP submittal binder and label it Exhibit 19.

Activity	\$ at Risk
Initial Transition/Conversion	
Client Service Representatives-average speed of answer	
Local Plan Representatives	
Participant statement mailing	
Annual group seminars	
Distributions paid following receipt of request	
Changes in investment elections	



SECTION III – EVALUATION REQUIREMENTS

CITY OF PHOENIX

Activity	\$ at Risk
Transfers/Reallocations	
Withdrawals paid	
Notification to Participants with Required Minimum Distributions	
Speed in correcting transaction errors	
Confirmation statements	
Distribution of enrollment materials	
Distribution of termination/distribution materials	
Participant statement accuracy	
Transaction accuracy (Participant requested transactions)	
Distribution upon request of generic & Participant specific documents (including administrative forms, prospectuses, Plan Document and/or brochure, Participant statement copies, etc.)	
Fulfillment (acceptable error rates and turnaround times)	
Excess system capacity requirements- web	
Excess system capacity requirements- VRU	
Excess system capacity requirements- processing	
Lead time for adding a new fund	
Blackout period for adding new fund	
Response time for resolving issue when research is required (contact initiated through service representative)	
Unscheduled downtime- web access for Participant and Employer functions	
Unscheduled downtime- VRU access for Participant functions	
Scheduled maintenance- VRU	
Scheduled maintenance- web	



SECTION III – EVALUATION REQUIREMENTS

CITY OF PHOENIX

Activity	\$ at Risk
Availability of recordkeeping system (exclusive of routine maintenance)	
System recovery following disaster	

30. Complete the following table describing the performance guarantees, if any, you propose for fulfilling Performance Standards for the **PEHP**. Disclose the dollars you are willing to put at risk for failing to meet the proposed benchmarks. Include this in the exhibit tab and label it Exhibit 20.

Activity	\$ at Risk
Initial Transition/Conversion	
Client Service Representatives-average speed of answer	
Participant statement mailing	
Communication materials and forms	
Annual group seminars	
Distributions paid following receipt of request	
Changes in investment elections	
Transfers/Reallocations	
Payments paid	
Speed in correcting transaction errors	
Confirmation statements	
Distribution of educational and fund selection materials	
Payment request materials	
Participant statement accuracy	
Transaction accuracy (Participant requested transactions)	
Distribution upon request of generic & Participant specific documents (including administrative forms, prospectuses, Plan Document and/or brochure, Participant statement copies, etc.)	
Fulfillment (acceptable error rates and turnaround times)	

**SECTION III – EVALUATION REQUIREMENTS****CITY OF PHOENIX**

Activity	\$ at Risk
Excess system capacity requirements- web	
Excess system capacity requirements- VRU	
Excess system capacity requirements- processing	
Response time for resolving issue when research is required (contact initiated through service representative)	
Unscheduled downtime- web access for Participant and Employer functions	
Unscheduled downtime- VRU access for Participant functions	
Scheduled maintenance- VRU	
Scheduled maintenance- web	
Availability of recordkeeping system (exclusive of routine maintenance)	
System recovery following disaster	

31. Will you agree to provide reports to the plan sponsor that detail all service performance benchmarks and whether or not they are being met? (Yes/No)



SECTION IV – SUBMITTALS

CITY OF PHOENIX

SECTION IV - SUBMITTALS

AFFIDAVIT

1. The undersigned Offeror hereby submits to the City of Phoenix (City) the enclosed proposal based upon all terms and conditions set forth in the City's Request for Proposals (RFP) and referenced materials. Offeror further specifically agrees hereby to provide services in the manner and on the terms and conditions set forth in the proposal submitted by the Offeror.
2. The undersigned Offeror acknowledges and states, under penalty of perjury, as follows:
 - a. The City is relying on Offeror's submitted information and the representation that Offeror has the capability to successfully undertake and complete the responsibilities and obligations submitted in its proposal and in Agreement.
 - b. The City has the right to make any further inquiry it deems appropriate to substantiate or supplement information supplied by Offeror.
 - c. Offeror has read and fully understands all the provisions and conditions set forth in the RFP documents, upon which its proposal is based.
 - d. The forms and information requested in the RFP are complete and made part of the proposal. The City is not responsible for any Offeror errors or omissions.
 - e. This proposal may be withdrawn by requesting such withdrawal in writing at any time prior to the proposal deadline but may not be withdrawn after such date and time.
 - f. The City reserves the right to reject any and all proposals and to accept the proposal that, in its judgment, will provide the best quality development to the City.
 - g. This proposal is valid for a minimum of 120 days after the RFP proposal deadline.
 - h. All costs incurred by Offeror in connection with this proposal shall be borne solely by Offeror. Under no circumstances shall the City be responsible for any costs associated with Offeror's proposal or the RFP process.
 - i. Offeror has not in any manner, directly or indirectly, conspired with any person or



SECTION IV – SUBMITTALS

CITY OF PHOENIX

party to unfairly compete or compromise the competitive nature of the RFP process.

j. The contents of this proposal have not been communicated by the undersigned nor by any employee or agent to any other person engaged in this type of business prior to the official opening of this proposal.

k. To the best of the Offeror’s knowledge, the information provided in its proposal is true and correct and neither the undersigned Offeror nor any partner, corporate officer or managing employee have ever been convicted of a felony or a crime involving moral turpitude.

3. COPIES

Please submit one original, five copies, and one electronic copy (portable drive or CD) of the Submittal Section and all other required documentation.

Please submit only the Submittal Section IV, responses to Section III, and the required supporting documentation. Do not submit a copy of the entire solicitation document. This offer will remain in effect for a period of 180 calendar days from the bid opening date and is irrevocable unless it is in the City’s best interest to do so.

4. REFERENCES

Offeror shall furnish the names and contact information for 3 clients for whom the Offeror is **furnishing** or has furnished services similar to those described in this RFP. Do not list City of Phoenix employees or officials as references.

A. Company and Reference Name:

Telephone and email:

B. Company and Reference Name:

Telephone and email:

C. Company and Reference Name:

Telephone and email:



SECTION IV – SUBMITTALS

CITY OF PHOENIX

5. Signature(s)

By executing below, the Offeror avows the statements and information provided herein are true, correct and complete and that the signatory executed below is authorized to execute this Affidavit on behalf of the Offeror.

Offeror's Contracting Entity (Legal Name¹): _____

¹The successful Offeror must be authorized to transact business in Arizona and be in good standing prior to contract award.

Printed Name of Authorized Representative*: _____

Title: _____

Business Mailing Address: _____

Telephone and Email Address: _____

Signature: _____

**Proposal must be signed by an individual authorized to contractually bind the Offeror.*

This form must be signed and submitted to the City and all questions must be answered (or N/A) or your Offer may be considered non-responsive.

1. Name of person submitting this disclosure form.

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First	MI	Last	Suffix
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2. Contract Information

Solicitation # or Name:

3. Name of individual(s) or entity(ies) seeking a contract with the City (i.e. parties to the Contract)

--

4. List any individuals(s) or entity(ies) that are owners, partners, parent, sublessees, joint venture or subsidiaries of the individual or entity listed in Question 3. Please include all Board members, executive committee members and officers for each entry. If not applicable, indicate N/A.

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5. List any individuals or entities that will be subcontractors on this contract or indicate N/A.

- Subcontractors may be retained, but not known as of the time of this submission.
- List of subcontracts, including the name of the owner(s) and business name:

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6. List any attorney, lobbyist, or consultant retained by any individuals listed in Questions 3, 4, or 5 to assist in the proposal or seeking the resulting contract. If none, indicate N/A.

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7. Disclosure of conflict of interest:

Are you aware of any fact(s) with regard to this solicitation or resulting contract that would raise a “conflict of interest” issue under City Code Section 43-34?

“An elected City official or a City employee shall not represent any person or business for compensation before the City regarding any part of a procurement, including any resulting contract, if during the time the elected official is or was in office or the employee is or was employed by the City such elected official or employee played a material or significant role in the development of the solicitation, any other part of the procurement, or the contract award.”

- I am not aware of any conflict(s) of interest under City Code Section 43-34.
- I am aware of the following potential or actual conflict(s) of interest:

8. Notice Regarding Prohibited Interest in Contracts

State law and the Phoenix City Charter and Code prohibit public officers or employees, their close relatives, and any businesses they, or their relatives, own from (1) representing before the City any person or business for compensation, (2) doing business with the City by any means other than through a formal procurement, and (3) doing business with the City without disclosing that the person has an interest in the contract. This prohibition extends to subcontracts on City contracts and also applies to parent, subsidiary, or partner businesses owned by a public officer or employee. See A.R.S. Sections 38-501 through 38-511, for more information (City Charter, Chapter 11, applies the state conflict-of-interest law to City employees).

Please note that any contract in place at the time a person becomes a public officer or employee may remain in effect. But the contract may not be amended, extended, modified, or changed in any manner during the officer’s or employee’s city service without following city administrative regulations.

Are you aware of any fact(s) with regard to this contract that would raise a “conflict of interest” issue under A.R.S. Sections 38-501 through 38-511. (See Arizona Revised Statutes regarding conflict of interest at www.azleg.gov).

I am not aware of any conflict(s) of interest under Arizona Revised Statutes Sections 38-501 through 38-511.

I am aware of the following conflict(s) of interest:

9. Acknowledgements

Solicitation Transparency Policy – No Contact with City Officials or Staff During Evaluation

- I understand that a person or entity who seeks or applies for a city contract, or any other person acting on behalf of that person or entity, is prohibited from contacting city officials and employees regarding the contract after a solicitation has been posted.
- This “no-contact” provision only concludes when the contract is awarded at a City Council meeting. If contact is required with City official or employees, the contact will take place in accordance with procedures by the City. Violation of this prohibited contacts provision, set out in City Code Sections 2-190.4 and 43-36, by respondents, or their agents, will lead to **disqualification**.

10. Fraud Prevention and Reporting Policy

- I acknowledge that the City has a fraud prevention and reporting policy and takes fraud seriously. I will report fraud, suspicion of fraud, or any other inappropriate action to: telephone no. 602-261-8999 or 602-534-5500 (TDD); or aud.integrity.line@phoenix.gov.

The purpose of the fraud policy is to maintain the City's high ethical standards. The policy includes a way for our business partners to report wrongdoing or bad behavior. Suspected fraud should be reported immediately to the Phoenix Integrity Line. The City has adopted a zero-tolerance policy regarding fraud.

OATH

I affirm that the statements contained in this form, including any attachments, to the best of my knowledge and belief are true, correct, and complete.

Should any of the answers to the above questions change during the course of the contract, particularly as it relates to any changes in ownership, applicant agrees to update this form with the new information within 30 days of such changes. Failure to do so may be deemed a breach of contract.

PRINT NAME

TITLE

SIGNATURE

DATE

COMPANY (CORPORATION, LLC, ETC.) NAME and DBA