

**The New York State Association of County Health Officials
Request for Proposals for 401K Compliance, Education and
Administration Services**

October 2020

REQUEST FOR PROPOSALS FOR 401K Compliance, Education and Administration
Effective on or about January 1, 2021

INQUIRIES AND PROPOSALS SHOULD BE DIRECTED TO: Sarah Ravenhall, Executive Director

New York State Association of County Health Officials
1 United Way, Pine West Plaza
Albany, NY 12205
Tel: 518-475-8905
Email: Sarah@nysacho.org

Request for Proposal

401K Compliance, Education and Administration SERVICES FOR THE NYS ASSOCIATION OF COUNTY HEALTH OFFICIALS

SUMMARY OF REQUEST

The NYS Association of County Health Officials (NYSACHO), a 501(c)(3) non-profit membership corporation is seeking proposals from firms to provide 401k compliance, education, and administration services for NYSACHO beginning on or about January 1, 2021. Both packaged and separate service proposals will be considered. If you are submitting a proposal on behalf of a partnership where services will be provided separately (Administrator; finances; TPA/compliance), please list all involved partners.

PLEASE NOTE: 401k Administrator will complete the proposal, but all responsibilities assigned to responsible entities, and pricing (even if estimated) should be outlined separately.

SCHEDULE

To be considered, a proposal must be received via email in Adobe Acrobat PDF or Microsoft Word format on or before Monday November 23, 2020 at 3:00 pm at the following email address: sarah@nysacho.org.

NYSACHO Board of Directors will vote on final proposal on November 30, 2020.

Final contract(s) execution will occur on or about January 1st, 2020.

Questions should be directed to Sarah Ravenhall, Executive Director at 518-456-7905, x108.

I. BACKGROUND OF THE NYS ASSOCIATION OF COUNTY HEALTH OFFICIALS (NYSACHO)

NYSACHO is the membership association of local health officials in New York State representing all 58 local health commissioners and public health directors, and the local health departments they lead. We support, advocate for, and empower local health departments in their work to promote health and wellness to prevent disease, disability, and injury throughout New York State. Many member services are supported through contracts with the New York State Department of Health and other entities. NYSACHO is incorporated as a not-for-profit, non-partisan charitable organization with 501(C)(3) tax exempt status.

NYSACHO employs 7 full time and 2 part time staff members. After twelve months of continuous employment, NYSACHO will contribute 3% of the salary of each full-time regular employee into a 401k Retirement Trust plan. In addition, each employee can elect to contribute an additional percentage as allowed by law into the plan. The employee's elected contribution will be deducted from the bi-weekly paycheck. Questions regarding administration of the plan should be addressed to the Executive Director, who is the plan Trustee. The organization's current plan administrator is Ubiquity Retirement and Savings.

There are currently 11 non-employed (terminated, retired with balance) plan members in our account and 4 actively participating members. 3 additional employees will become eligible in 2021. Loans are allowed with this plan and there is 1 outstanding and active loan with Ubiquity.

NYSACHO's aims to meet the following goals with their employee 401k plan over the next year:

1. Improve compliance management and support provided to the Executive Director who oversees the plan;
2. Provide increased education to eligible employees for informed decision-making;
3. Strengthen viability of financial portfolio investments;
4. Assess and refine current employee eligibility and plan vesting structure with guidance from plan administrator to improve employee retention.

II. SCOPE OF WORK TO BE PERFORMED AND STANDARDS TO BE FOLLOWED

Services that may be required from the contractor(s) include:

1. Guide NYSACHO during transfer of 401k to new 401k administrator and ensure compliance and support Executive Director during transfer of 401k plan including transfer of loans.
2. Manage and maintain reporting requirements.
3. Ensure that plan assets are appropriately insured and make sure plan investment certificates are current.
4. Oversee plan compliance requirements ERISA, DOL, IRS and support director to meet plan fiduciary responsibilities.
5. Ensure participant contributions are collected and distributed in a timely manner.
6. Provide all necessary testing and auditing (can be contracted through TPA).
7. Provide all-inclusive plan summary report and annual benefit statement to Executive Director to ensure required disclosure is distributed to plan participants.
8. Provide education and support to eligible employees so they are informed to make informed retirement decisions.
9. Safeguard plan assets and plan participants.
10. Provide system for accounting to process payroll contributions in alignment with NYSACHO personnel policy.
11. Provide portal for employees, administrators, employers so that they can easily access plan information.
12. Throughout the year provide support via telephone, zoom or email to the staff or leadership of NYSACHO.
13. Provide assistance, guidance and suggestions to NYSACHO to improve internal control procedures.
14. Communicate and manage legislative changes that would impact NYSACHO's 401k account to Executive Director or Board of Directors.
15. Other responsibilities as needed.

III. PROPOSAL REQUIREMENTS

The following must be received by the proposal due date or the firm(s) will not be considered:

1. Title Page – the title page shall show the proposal subject, the firm(s)'s name, address, contact person, and the firm(s)'s federal identification number.
2. Cover Letter – The cover letter should briefly state the proposer's understanding of the work to be performed, commitment to perform the work and statements as to why the proposer believes that their firm is the best qualified firm to perform the engagement. The cover letter should also include a statement that the offer is a firm and irrevocable offer for 120 days.

3. Table of Contents

4. Firm's Qualifications and Personnel Qualifications

- a. Qualifications and Related Experience - Sufficient information should be provided regarding qualifications of the firm to provide the requested scope of work.
- d. Please comment on your commitment to staff continuity for personnel assigned to this engagement.
- e. Provide information, related experience, and certification (if applicable) of personnel who will work with NYSACHO Executive Director.

5. Respond to Questions Outlined in Appendix I of RFP

6. References

The firm shall provide with its proposal, three client references to include: name, affiliation, phone number and email address.

IV. CONFLICT OF INTEREST

In the event the Contractor becomes aware of any conflicts or potential conflicts between the interest and the interests of clients of the Contractor, the Contractor shall immediately notify NYSACHO Executive Director, or designee, in writing, of such conflict.

Written notice may be in the form of an email notification. In the event NYSACHO becomes aware of any conflicts or potential conflicts between the interest of NYSACHO and the interests of clients of the Contractor, NYSACHO Executive Director, or designee, shall promptly notify the Contractor of such conflict. NYSACHO and the Contractor shall attempt to resolve any such conflict in a manner mutually acceptable to NYSACHO and the Contractor. If the conflict cannot be resolved to the satisfaction of NYSACHO, NYSACHO reserves the right to procure these items/services from other vendors with an appropriate reduction to the Contractor's fee(s).

V. Evaluation Criteria

The below factors will be used when evaluating the proposals. The factors are not listed in order of importance.

- Responsiveness to Request for Proposal specifications
- Project cost
- Qualifications of firm
- Qualifications and experience of the staff to be assigned to the project
- References

During the evaluation process, NYSACHO reserves the rights to request additional information or clarifications from proposers and the right to reject any or all proposals.

There is no expressed or implied obligation for NYSACHO to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

As a courtesy, we would appreciate a response even if you decline to submit a proposal.

APPENDIX I Questionnaire Section of RFP

Background:

1. Provide in sufficient detail the firm's approach to provision of 401k services for small businesses. Include procedures to be performed, by whom they will be performed, consideration of laws and regulations, assistance that will be provided to NYSACHO staff, the Board and Committees.
2. How long has your firm been in business?
3. How many 401k plans do they administer?
4. What percentage is this of all their clients?
5. How many new 401k plans did they add this year, last year?
6. How many clients left them this year and why, last year?

Recordkeeping Conversions:

1. Are there any trust/custody or recordkeeping system conversions planned in the next 12 months (only system-wide conversions, not new client conversions)?

Fiduciary Questions:

1. Are there any current or pending litigation or administrative actions against your firm? If yes, please describe them.
2. Do you receive any 12b-1 or other compensation from any mutual funds that are or will be contained in our plan and, if so, is it used to reduce our costs?
3. Will your firm, its employees, and/or any affiliated or related entity be paid fees and/or commissions (including those from revenue-sharing and commission recapture) for its services to the our plan from sources other than the plan?
4. Does your firm, its employees, and/or any affiliated or related entity derive any economic benefit from any investment entities, intermediaries or service providers that are or will be involved in our plan?
5. What is your privacy policy with regard to sharing client or account information with a third party?
6. Does the firm have Errors and Omissions Insurance? Directors & Officers Liability Insurance? Fiduciary Liability Insurance? Who are the carriers and what are the limits?
7. Is your administrative staff "certified" by any organization and if so, what credentials do they have. Be specific as it relates to our plan.
8. What quality control systems do you have in place? Please describe fully.

Investment Questions:

1. What is the maximum number of investment funds options our plan can have? Are there any inherent limitations about this number or the kind of options we can have?
2. How many funds did you assume in your fee quote? What is the cost per fund in excess of your quote?
3. What information will we receive about investment options? Plead provide sample copies of all reports that are available.
4. Is it possible to invest in mutual funds not managed by your company?
5. Discuss your company's ability to provide quality investment vehicles and a well-diversified portfolio.

6. Will your representatives be available to meet regularly with our fiscal committee to review the plan and investment options? If so, how often can these meetings be provided and what information will you be providing?

Service Questions:

1. Describe how you will assist us to enroll new participants.
2. What are your quality and/or service standard for the following:
 - a. Participant statements
 - b. Lump Sum Distributions
 - c. Hardship withdrawals
 - d. Loan Distributions
 - e. Payroll processing
 - f. Investment changes
3. How do you monitor these service standards and what happens if the standard is not met?
4. Can you support automatic enrollment of eligible employees?
5. Can you support automatic annual increases in a participant contribution rates?
6. Can you calculate and report a personal rate of return for each participant and report this on each participant statement? Does the rate of return calculation incorporate the participant's cash flows?
7. Please include a sample plan management report that includes such data as total plan assets by fund, cash flow summaries, participant usage statistics, etc. How often are such reports produced? Are they available on request? Are they available on your plan sponsor website?
8. How will the client be advised of regulatory changes?
9. What assistance do you offer in drafting, designing, printing and distributing Summary Plan Descriptions?
10. Is there an additional fee for plan document maintenance and/or elective changes? If so, be sure to include this cost in the fee section.
11. Describe all the testing and other administrative work you will provide. Are there standard testing or administrative work which you do not normally perform?
12. As part of your recordkeeping services, do you prepare and file all required government filings needed to maintain the plan's qualified status (e.g., 5500, W-2, 1099)?
13. Is there a minimum length of time we must stay with your company for plan administration?
14. What is the name of the custodian for your product? Where are they located? Will it also act as trustee over all plan assets?
15. Will your representatives be available on-site for initial enrollment meetings and ongoing meetings at all employer locations? If so, how often can these meetings be provided?
16. Describe your approach to educating our employees. Address the use of standardized materials, alternative media and overall methods. Do you have an "advice" service? If you offer an advice service, will you act as a co-fiduciary? You want to ensure that your participants are getting a good basic level of education. It is part of your responsibility. Newsletters are okay, but you should really be providing some type of classroom experience at least annually. Online education is also good, but few participants will use it.
17. Please provide a sample of your education material.

Participant Internet Access Questions:

1. Describe the account services and transaction capabilities available through your participant website.
2. How are website transactions processed and documented?

3. Are there any transactions that cannot be processed through your website?
4. Describe how data is secured within the system (i.e., PIN, audit trail, confirmations).
5. Describe the level of customization available for clients using your Internet services.
6. What are the standard hours of account access and transactional availability?
7. How often is the data on the website updated? How does the website interface with the recordkeeping system?
8. Identify your website account access and transactional availability statistics (average availability per month as a percentage).
9. Have there ever been instances within the last two years where the website was not functioning? If so, describe frequencies, duration and how problem was resolved.
10. Explain how passwords are assigned and changed.
11. Describe any electronic education tools you provide, both software-based and web-based, to participants and retirees.

Cyber Security Questions:

1. Does the service provider conduct periodic risk assessments to identify cyber security threats, vulnerabilities, and potential business consequences?
2. What are the service provider's processes and systems for dealing with cyber security threats and protection of personally identifiable information?
3. Does the service provider have an annual independent assessment made of its cyber security processes?
4. Does the service provider have a Chief Information Security Officer or equivalent position?
5. Does the company have a privacy and security policy, and does the policy apply to personally identifiable information of retirement plan clients?
6. Does the service provider have policies, procedures, data encryption, and technical measures to prevent unauthorized access or alteration, fraud, theft, misuse, or physical damage to hardware, software, communications networks, and data?
7. What are the service provider's system back-up, security and disaster recovery procedures? Are files archived and stored at an off-site location? If so, what is the location? Have procedures been tested? When did you last perform a full-scale disaster recovery test?
8. Is the company's policy clear with respect to storing personally identifiable information on laptops and portable storage devices? What is that policy?
9. Are technology systems regularly updated?
10. Does the service provider have policies on storing personally identifiable information including where it is stored, how long it is stored, and how it is eliminated?
11. Are all personnel who come in contact with personally identifiable information trained on adequate protection of the information?
12. Does the company carry cyber security insurance? If yes, provide an overview of the coverage.
13. Has the company experienced any security breaches? If yes, explain.

Fee Section:

1. What are the fees for setup?
2. Please fully itemize all fees including the following:
 - a. Conversion fee
 - b. Charges for plan administration
 - c. Moving assets from one fund to another
 - d. Cost to amend the plan
 - e. Cost to terminate the plan

- f. Loan, hardship, rollover, distribution fees
- g. Other transaction fees
- h. Other fees

Additional Information: Interested firms are encouraged to provide any additional information not otherwise requested that may aid NYSACHO in awarding this professional service contract.