



CITY OF BURLINGTON, VERMONT

REQUEST FOR PROPOSAL TO PROVIDE DEFINED BENEFIT PLAN ADMINISTRATION

NOVEMBER 5, 2018

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PART A PROCUREMENT INFORMATION

A-1 INTRODUCTION

The Burlington Employees' Retirement System (BERS) is soliciting proposals for pension administration outsourcing services. The following document outlines the requirements for responding to this Request for Proposal (RFP).

A-1.1 EXECUTIVE SUMMARY

The City of Burlington, on behalf of the Burlington Employees Retirement System (BERS), is soliciting proposals from firms interested, willing and able to provide state-of-the-art pension administration outsourcing services via a combination of both online tools and live support. A complete description of required services is included in **Section B, Scope of Pension Administration Outsourcing Services**.

Please note the City is seeking proposals to perform:

- A. Online pension services (member self-service); and/or
- B. Full-service pension administration services, though a service center, capable of assisting participants with questions and calculations, processing retirement applications, maintaining retirement data for the full system, and providing reporting.

A-1.2 BERS POINT OF CONTACT

From the issue date of this RFP until the selection and announcement of a successful offeror, offerors are not allowed to communicate, for any reason, with any City staff regarding this particular procurement, except through the point of contact named herein. For violation of this provision, BERS shall reserve the right to reject the proposal of the offending offeror.

The point of contact for questions and all other contractual matters relating to this RFP is:

Name: Rich Goodwin
Title: Director Financial Operations
Address: 149 Church Street, 2nd Floor
Burlington, VT 05401
E-Mail: rgoodwin@burlingtonvt.gov

The deadline for offeror's proposals is, December 21, 2018 **by 3:00 PM** delivered to the BERS office, marked to the attention of the contact listed above.

By submitting a proposal, the offeror acknowledges that it has read this RFP, understands it, and agrees to be bound by its requirements.

A-1.3 RFP ORGANIZATION

This RFP is organized as described below.

PART A – Procurement Information

This part of the RFP sets forth the procedures for conducting the procurement, the nature of the services being sought, the project timetable, and a description of BERS’ existing environment.

PART B – Scope of Services

This part of the RFP defines in detail the scope of services. It addresses the business service requirements to be satisfied, and other required services and deliverables.

PART C - Proposal Format and Evaluation

This part of the RFP provides detailed instructions for the preparation and format of offeror proposals, both technical and cost.

PART D –Terms and Conditions

This part of the RFP sets forth the standard BERS terms and conditions that the offeror must abide by in preparing its response to this RFP and/or in conducting the effort after award.

A-1.4 OFFEROR QUESTIONS ABOUT RFP AND PROCUREMENT

Interested parties may submit questions relating to this RFP and/or procurement via email to the Point of Contact named in Section A-1.2 through **November 20, 2018**. Submit all questions as a Word document or in the body of an email using the format specified in Table 1 below.

TABLE 1. FORMAT FOR SUBMISSION OF OFFEROR QUESTIONS

No.	RFP Section	RFP Page	Question
Q1			
A1			
Q2			
A2			

Email is the required method of communications – using a Word file as an attachment. All written questions must include the name of the firm and the person submitting the questions. BERS will post a compilation of all questions and answers, along with any RFP addenda, to the BERS website <https://www.burlingtonvt.gov/RFP> no later than 5:00 p.m. ET on November 30, 2018. Individuals and Firm names will not be listed on responses.

A-1.5 PRESENTATIONS

At BERS’ discretion, offerors who receive high scores after the initial review of proposals may be required to provide presentations to City’s review team. Presentations by finalists may take place on site at BERS’ offices, at the offeror’s office or via webinar session.

BERS requires meeting the key assigned staff when conducting the presentations. BERS’ objective is to discern the offeror's proposed staffs’ familiarity with the proposed services and their ability to explain, communicate, converse, and interact with BERS staff. While respecting the role of sales and marketing

staff in the sales process, BERS is most interested in interacting with key service providing members. BERS reserves the right not to conduct offeror presentations, and/or customer site visits.

A-1.6 CLARIFICATION OF TERMINOLOGY

All references in this RFP to features, functions, services, or deliverables that “should”, “must”, “will”, “has ability to”, etc. be provided by the offeror are to be construed as mandatory. Similarly, all references in this RFP to information that “should”, “must”, “will”, “has ability to”, etc. be provided in the offeror’s proposal are to be construed as mandatory.

Bidders may be referred to alternatively as “bidders”, “offerors”, “successful offerors”, “successful bidders”, “vendors”, etc. All such references (except for those explicitly defined otherwise) are to the primary contractor who submits the proposal in response to this RFP and, if successful, who will be responsible for the successful completion of all required deliverables.

References to days are to work days unless otherwise explicitly stated.

Reference to time as stated in this RFP is based on local Eastern Time.

A-2 NATURE OF PROCUREMENT

BERS is soliciting proposals from firms having recent experience in supplying outsourcing services in the public sector for Pension Systems. To be considered for the purpose stated above, the firm must meet all of the following minimum qualifications. Failure to do so shall result in the rejection of the proposal.

BERS’ Minimum Qualifications:

The following are the criteria for an offeror to be considered as an eligible candidate to bid on the requested services described in this RFP. **If an offeror is unable to accommodate any one of the minimum qualifications, please provide an explanation in the Certification of Compliance with Minimum Requirements of RFP.**

1. Offerors choosing to propose must offer services or solutions for the following administrative services (i.e., benefit calculation capabilities, record keeping, benefit payments, custodial services, plan management, ongoing training and support to the City as it relates to the day-to-day operation of the Plan, and employee retirement education and communications.)
2. Offerors choosing to propose must comply with all RFP specifications. Unless otherwise noted by you, in your cover letter, it is assumed that, by submitting a response to this RFP, your response is intended to conform to the specifications in every way.
3. Offerors choosing to propose must provide a representative who can provide a single point of contact, seamless administration and accountability, and meet, on a regular basis, with the City’s Board.
4. Offerors choosing to propose must demonstrate an ability to work with City’s staff, the BERS Board, and/or designated representative in implementation, communication, and administration of the Plan.
5. Offerors choosing to propose must have at least **five (5) years' experience** in providing the proposed services and products to the public sector defined benefit marketplace to **at least 20 clients**.
6. The initial contract term will be for 3-years with an option for a 3-year contract extension. The response to this request for proposal will be incorporated into the contract.

7. Offerors choosing to propose must be able to meet with the City's BERS Board on a quarterly basis (by phone), but may be required to meet only on annual basis.
8. Offerors choosing to propose must be solely liable and responsible for any processing errors of the offeror or its agents.
9. Offerors choosing to propose must provide access to all tools and data, with reasonable notice, to parties authorized by the City for the purpose of performing any audit or reviews that are deemed necessary.
10. The offerors choosing to propose must provide complete review, approval, and administrative services related to Qualified Domestic Relations Orders (QDRO).
11. Offerors choosing to propose must have the ability to deal directly with all eligible City employees, system members, and retirees.
12. The offeror's internet services must include data encryption and a secured method for the Plans' participating employers to submit and receive payroll data as well as allow the City's staff and Plan auditors the ability to view participant demographic information and Plan activities.

The City reserves the right to accept or reject the Account Manager and other staff personnel designated for its programs, both initially and in future years. The successful contractor shall agree to ensure the continuity of the designated primary Account Manager and a backup designee, assigned to perform the service. The offeror represents and warrants that the primary Account Manager shall remain available throughout the term of the contract, unless the City requests a change. The offeror represents and warrants that contractor shall not remove or replace the primary Account Manager and offeror agrees that offeror's removal or replacement of the primary Account Manager may be grounds for termination of the contract.

The City recognizes, however, that events beyond the control of the offeror, such as promotion, long-term leave, or the termination of employment of the primary Account Manager, may require the offeror to propose a replacement of another employee of the offeror. In the event that such a replacement is necessary, the offeror agrees that the replacement person shall have equal or better qualifications at no additional cost to the City, and that the City will have final approval of any Account Manager to be assigned. No replacement person shall begin work on the contract without the prior written consent of the City.

A-2.1 ON-GOING COMMUNICATION

The offeror's staff must be available for consultation with City staff on an as-needed basis between 8:00 AM and 5:00 PM, ET Monday through Friday. The offeror will provide phone or email response to the City inquiries within one (1) business day at least 90 percent of the time. The offeror will respond to urgent requests within one (1) business day.

The offeror's service, including telephone and online resources, are desired to be available to system members and retirees 24/7, 365 days a year. Any variance from that availability should be noted in the offeror's response.

The offeror shall have access to the Internet, electronic mail, and required equipment necessary to communicate with the City, and program participants. This technology shall be available to the contractor to communicate with all necessary parties through the term of this contract. The contractor shall have the ability to transmit all documentation required by the City electronically.

A-2.2 ABOUT BERS

BERS is the name that refers to the Burlington City Employee’s Retirement System. The system is run by a board that has the fiduciary duty to administer **one** distinct defined benefit retirement system.

The system’s funds provide service retirement benefits as well as death and disability benefits to a population of contributory and non-contributory members and their beneficiaries. The plan covers eligible members employed in the general administrative service of the City and certain non-teacher employees of the Burlington City Public School District.

The City employs one individual who serves as the point of contact for the retirement system. This includes interfacing with members, performing calculations, ensuring the maintenance and submission of required data to the actuary, and maintenance of all data. All retirement payroll is processed by the City.

The City began implementation of the PTG Pension Pro system in 2017, and currently employs the following functionality: database, reporting, and active member payroll.

As of June 30, 2017, the BERS membership consisted of the following:

-) *BERS Retirees and Beneficiaries Receiving Benefits- 674*
-) *Terminated Members Not Yet Receiving Benefits - 495*
-) *Active Plan Members 845*
-) *Total Membership of 2,014.*

Copies of the ordinances governing the system are available on the City of Burlington’s Code of Ordinances in Chapter 24. The Code can be found here:

<https://www.codepublishing.com/VT/Burlington/>

A-2.3 PROJECT OBJECTIVES AND SCOPE

A-2.3.1 GENERAL OBJECTIVES AND SCOPE

The objective of this RFP is to solicit proposals from qualified service firms willing and able to provide stable, state-of-the-industry pension services, as defined herein, capable of supporting BERS. The offeror is expected to enable active and retired members to meet all of their day by day service needs; as well as, perform all of the support duties associated with the processing and reporting on the plan.

BERS will award this contract to the offeror who can best meet the needs as defined in this RFP. The objective of this RFP is to elicit a response from offerors for the provision of the defined services.

The RFP also specifies the common format of offeror responses and the estimated timeframe to enable BERS to compare the offerors’ services and to make its choice. In addition, the RFP briefly explains the selection process.

A-2.3.2 TERM OF CONTRACT

The contract for pension outsourcing services is intended to be for a three year period with BERS having the option to extend the contract for an additional three year period under the same terms and conditions.

A-2.4 RFP SCHEDULE AND MILESTONES

The dates provided in Table 2 on the next page are approximate and are for the period up to the project start date following contract award.

BERS reserves the right to change the calendar of events or issue amendments to the RFP at any time. BERS also reserves the right to cancel or reissue the RFP. Offerors should check the BERS Website from time to time as any amendments or other RFP related materials will be posted there.

TABLE 2. PROJECT SCHEDULE

Date	Activity
November 5, 2018	RFP issued
November 20, 2018	Receive offerors' questions
November 30, 2018	BERS supplies answers to offerors' questions
December 21, 2018	Deadline for receipt of proposals
January 9, 2018	BERS generated questions
January 16, 2018	Offerors' responses to questions
January 22 -24, 2019	Hold presentations for short listed offerors
January 30 , 2019	BERS evaluation complete
February 13, 2019	BERS selection approved*
Date February 28, 2019	Contract negotiations begin

*Final approval is based on review and approval of BERS, Board of Finance, and City Councils approval.

PART B SCOPE OF SERVICES

B-1 SCOPE OF OUTSOURCING SERVICES

BERS is soliciting proposals for the following outsourcing services related to its Defined Benefit Plan:

- A. Online pension services (member self-service), including providing calculations, managing personal information updates, and delivering messaging; and
- B. In-person pension administration services through a Service Center capable of assisting participants with questions, forms, technology and other needs.

Firms responding to this RFP may respond to provide either or both services. In responding, please specify which services you can provide in the manner requested in Section B of this document.

All responses should clearly specify what technical requirements are assumed for the proposed solution. This includes whether the City’s existing tools will be employed, or whether different tools are required. If the current tools will be continued, the proposer should explain their experience working with those tools.

Please note that BERS is not seeking actuarial or investment advisory services at this time. All assets under management will not be moved to the new service provider as part of this process under any circumstances.

A. Online Pension services only	B. In person Pension Administration services through a live Service Center
<ul style="list-style-type: none">) Interactive and informational website for plan administrators and participants) <i>Provide ability for plan participants to estimate and project retirement benefits</i>) <i>Provide electronic personalized annual statements of all active plan participants based on salary and employment data provided by plan sponsor</i>) <i>Provide access to plan sponsor documents (document summaries, labor agreements, etc.)</i>) <i>Maintain forms and administrative documents used by plan sponsor contacts</i>) Create custom automated special exports for plan sponsor use 	<ul style="list-style-type: none">) Provide the services listed in italics under the Online platform (A), as well as:) Service Center to support participants through phone, mail, and email contact 24/7) Interactions with participants to process benefit calculations and set up payment including: <ul style="list-style-type: none"> ▪ Mail completed forms to participant ▪ Answer participant questions ▪ Audit submitted forms ▪ Correspond with participant until forms are complete and accurate ▪ Provide estimates and projections of retirement benefits

<ul style="list-style-type: none"> J Accumulate, reconcile and maintain a comprehensive participant database for actives/terminated vested/retirees; includes maintaining data updates J Mail completed forms to Plan Sponsor or ability for Plan Sponsor to generate online J Interface with the City's retirement administrator and staff J Implementation: <ul style="list-style-type: none"> o <i>Initial programming of all plan provisions and testing representative sample participants</i> o <i>Provide necessary training to plan sponsors and education tools for plan sponsors and participants</i> 	<ul style="list-style-type: none"> J Prepare required documentation of requests for authorization by the retirement system board. J Process all applications for retirement benefits J Initiate new retiree benefit payment with Custodian J Respond to participant questions via email or phone J Annual mailing to terminated vested participants prior to reaching normal retirement J Annual mailing of suspension of benefits notices to active participants attaining normal retirement age (if applicable) J QDRO processing J Work with custodian to: <ul style="list-style-type: none"> ▪ Reissue uncashed checks ▪ Request return of over-payments ▪ Coordinate changes to retiree information when power of attorney involved ▪ Assist in the set-up of surviving spouse accounts upon death of retiree J Pension income verifications J Locate missing participants J Retiree register monthly audit
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B-2 RFP QUESTIONS

We require that you make the effort to respond specifically to all questions within this section. Offerors' responses will be used evaluate your organization's current service capabilities. Your future and planned capabilities are important in this response and are reflected in the questionnaire, Exhibit 1 Excel document.

The following offeror questionnaire should be reviewed in its entirety before you begin to answer the individual sections. Offerors are required to record their responses within the questionnaire Excel spreadsheet, which is provided with this RFP – (Exhibit 1).

A. Customer Service/Account Management

1. Describe your account/client management approach.
2. Describe your organization's commitment to quality and your philosophy /approach to client services.
3. Are the client/account team members that will be assigned to the City potentially from multiple locations? If so, how will the service team(s) be managed?
4. Please provide an organizational chart of your proposed service team for this relationship. Provide the name(s), title(s), address(es), telephone and fax number(s), email address(es), and the responsibilities, functions, or roles of each individual who will be assigned to and responsible for providing the contracted services under the Plan, including the Client Relationship Manager who will be responsible for the overall relationship with the City. Please provide each individual's education and work experience.
5. How do you ensure that account continuity and knowledge is maintained on the accounts/clients from initial planning and conversion through implementation and ongoing servicing?
6. Describe the hand-off process when moving from pre-sales to sale to implementation to support. Are personnel shared among the separate teams? What steps are taken to ensure smooth transitions? Has your organization performed a transition from Prudential Financial Group in the past?
7. How many of your employees work on public sector defined benefit plans? Provide a breakdown of the number of full-time equivalent employees working on defined benefit plans by the following functional areas: management; call center management/supervisors; customer service representatives (CSR's); field representatives; systems management; systems staff (development staff and operating/maintenance staff); and other support personnel.
8. Will you need to add local or onsite employees in order to provide the required services to the City? If so, please state the number of additional staff required, by job title and function.
9. How many public sector defined benefit plans have you gained in the last three years?
10. Provide a representative list of public sector defined benefit clients for whom you provide defined benefit services. What is the total number of participants in all public sector defined benefit plans currently being administered by your organization?
11. What is your experience in providing defined benefit plan administration services for similar governmental programs?
12. Identify the key facets of your approach that make you uniquely qualified to provide services to the City.
13. Do you use any CRM tools to track and manage customer services and issues?
14. Describe your errors/omissions liability insurance and coverage. Describe the various types of insurance coverage and indemnification provided to protect clients.
15. Do you track customer satisfaction metrics? Do you conduct periodic client satisfaction surveys? If so, are these surveys conducted by an independent entity? Please include any recent key statistical figures and the results of any recent survey(s). What corrective measures or action steps do you perform to address clients and participants who are not satisfied with your service performance?
16. What is the average number of account relationships for each of your proposed team members? What is the current number of account relationships for the entire team proposed for this account?
17. What is the average tenure (in years) of the following positions: Plan Administrators; Client Relationship Manager; Field Service Representatives; Conversion Project Manager; Customer Service Center Representatives. **This is a key issue for the City with regard to turnover on the account. Strongest consideration will be given to those organizations that can best exhibit consistency across service teams.**

18. What is the last date when your organization had a change in its business structure, whether through an acquisition or divestiture or through an alliance arrangement? If applicable, how did this change in business affect the administration division?
19. Describe any pending or anticipated plans to re-organize your company within itself or as part of the larger organization of which your company is a part.
20. What portion of your organization's expenses is related to system technology development?
21. If the City wanted a detailed review/audit, conducted of your administration processing over a specific period, would you allow on-site access to the reviewing third-party to interview your staff members who perform the administration?
22. Describe how member's user accounts are created and maintained.

B. Service Agreement and Levels

1. Describe your dispute resolution process.
2. Is there any client compensation for system and/or administration services down time?
3. Describe how your company keeps its applications updated for the changing legislative and regulatory requirements. How long does it typically take for you to incorporate any such legislative changes into your systems and train your administration staff?
4. Describe your typical service performance levels written into client service agreements. Are you able to work with a client who requires more stringent service level performance guarantees?
5. Identify your standard and committed response times.

C. DB System and Administration Capability

1. Provide the detail of your system capability concerning retirement processing with regard to tracking of participant retirement elections and recordkeeping of plan history concerning salary and service.
2. Provide the detail of your system capability concerning data import and export feeds. Describe your approach and procedures to determine and maintain data integrity.
3. Does your system calculate 415 limitations on all benefit calculations? Does it track and apply 401(a)(17) limitations? How about the 25 highest paid limitation on lump sum payments?
4. Does your system track and calculate minimum required distribution age 70 ½ calculations for participants in pay status? Does the system automatically apply actuarial increases for deferred age 70 ½ payments? Does your system track deferred vested participants approaching age 70 ½ for proactive notification to secure elections and make timely age 70 ½ payments?
5. Describe how your system handles suspension of benefits notifications to participants. Does your system handle actuarial increases for suspended benefits for post- NRD payments?
6. Are conversions for optional forms of payment preprogrammed into the system? Are they table driven or calculated on the fly?
7. Does your system allow for production of a valuation data output file? Does your system's benefit calculator allow for production of a group of benefit calculations in batch mode?
8. Is your system database capable of maintaining payroll records for compensation other than plan earnings?
9. How does your system handle plans with multiple benefit formulas where participants can be impacted by more than one formula? How does your system handle benefit formulas for certain participants that differ for different periods of benefit service?
10. How does your system determine plan eligibility from the individual participant indicative data? Is there any limit to the number of identifiers that can be used to determine eligibility?
11. Please describe how your system will merge information and produce all required letters and retirement forms. Are your system's forms in a standard format or can they be customized for client requests? Does the system allow administrators to have access to be able to customize a specific participant's letter? What is your standard protocol for providing Relative Values Notice

information to retiring participants? How would your system handle the use of generic Relative Values Notices and if so, how would a request for an individualized Relative Values Notice be handled?

12. Please describe in detail how your system maintains an audit trail. Are all database changes handled through batch mode or can changes be made real-time directly on-line and still have an audit trail?
13. Is there a limit as to how many service breaks or leaves of absence per participant that your system can track and accommodate? Can your system track participants who switch from working as an eligible employee to an ineligible employee (and vice versa)? How is all service (eligible and ineligible) tracked for vesting purposes? How is credited service tracked for only periods of eligible service for accrued benefit purposes?
14. How do you track and handle notice reports for situations like Period Certain benefits expiring, vested terminated participants reaching Normal Retirement Date, active or deferred vested participants reaching their minimum required distribution benefit commencement date, etc.?
15. How does the system handle the designation of QDROs in the Database? How are pending DROs identified from final qualified QDROs? How does your system address the addition of a QDRO alternate payee as a participant either as a retiree with immediate payment or as a deferred vested participant? How does your Database system handle a future split QDRO vs. a current split QDRO?
16. Describe how you will provide the City QDRO qualification and administration services? How will you work directly with the City's legal counsel to approve and/or vet issues on a QDRO?
17. What is your systems capability to provide employee self-service access? What modeling of DB plan and any other retirement benefits is accommodated in your system? Is an employee able to access and model his or her own pension benefits on-line through a secure portal? Is there sufficient flexibility to accommodate plan-specific provisions such as Sick Leave conversions?
18. Does your system benefit calculator generate a pension worksheet illustrating the detail on how the benefit was calculated (provide examples)? Is the same worksheet back-up provided for employee self-service as for your administration services group?
19. List the types of early retirement factors your system can handle (i.e. actuarial equivalent, simplified, subsidized early, etc.). Can your system apply different early retirement factors to different eligibility requirements (like benefits accrued before and after a specific date and/or for retirement from different statuses)? How does your system handle the determination of the achievement of special unreduced early retirement provisions (like the "Rule of 85")? Do you have other clients with special early retirement provisions in their plan?
20. Describe how your system can handle the adjustment of the benefit for a rehired participant who previously received a distribution of employee contributions or a lump sum of prior benefits. Is it adjusted systematically or is manual intervention required? Does your system track prior lump sum distributions that have been paid?
21. What is the extent of your actuarial support, if needed, during day-to-day administration for such things as actuarial equivalent calculations, QDRO split calculations, etc.?
22. How does your system handle the determination of eligibility for early retirement, normal retirement, etc.? Is this determined continually from the individual participant indicative data or determined at initial eligibility in the plan and set in the participant's record? How does your system handle different eligibility requirements for early retirement, normal retirement, etc. for different categories of participants? Is there a limit to how many different categories your system can handle?
23. Do you store terminated non-vested participants' plan information in the DB database forever or are these records archived periodically? Is there an additional charge to clients to keep them on the live database?
24. Do you send annual statements to terminated vested participants?

25. Have standard payment authorization interfaces been built for specific bank/custodial trustees? What processes do you have in place to provide distribution payment check-cutting services for monthly retirement annuity payments?
26. How are your assigned staff kept apprised and trained on new law or governmental regulations affecting administration?
27. What is the average length of experience for your DB plan administrators?
28. Is the administration staff divided into groups performing specific tasks? (For example, a dedicated group to process and authorize payments to retirees.)
29. Are DB administration staff located physically in the same location or are they virtual and working from many different locations? What will be the location(s) for the team assigned to provide services to the City?
30. How do you administer the restoration of accruals for participants who return from military leave? Are such restorations handled manually or systematically?
31. Explain how you administer Suspension of Benefits provisions. How do you administer Suspension of Benefits for retirees who have been rehired and whose retirement benefits must be suspended?
32. How is your system and administration processes set up to handle the impact on participant benefits of any funding-related restrictions imposed by any regulation? Please include discussions about coordination with the actuary for the plan, changes to the system calculation processing, changes to election forms, handling transition situations, and any required notifications to participants.
33. Describe how your system or administrators handle service adjustments for rehire and leave of absence situations.
34. Do you have mobile web access capabilities available for participant use? Is there an extra fee to the client for mobile web access?
35. Provide examples of annual benefit statements you can produce from your system. Can these statements be customized? Is there an extra cost for customization?
36. Do you provide your clients with information for any client-required reporting purposes?
37. For client requested reporting information, not included with your standard reports offered, are there additional fees required for such ad-hoc requests? What if the reporting need is ongoing on a periodic basis?
38. What audit assistance do you provide to your clients for their internal/external auditors? Please outline your process for assisting your clients' auditors and discuss any standard audit information provided and your typical time commitment to providing such assistance.
39. With regard to contributory plans, does your system track employee contributions with and without interest? Does your system apply plan appropriate/statutory interest rates for mandatory contributions? Can your system handle tracking of mandatory and voluntary employee contributions? Can your system apply different interest crediting rates to different contribution accounts and account for multiple accounts under multiple structures in the plan? How often does interest get applied?
40. With regard to contributory plans, does your system calculate non-taxable and taxable portions of the benefit for pension payments? Does it calculate the tax basis on lump sum refunds of employee contributions, where there is a remaining employer benefit?
41. Please furnish your death benefit processing procedures.
42. How do you handle post retirement flat dollar death benefits? How do you track eligibility for such a death benefit?
43. Does your system allow for multiple beneficiaries for J&S benefit elections? If so, how do you administer these and calculate the J&S option factor?

44. Do you have the capability to accept electronic copies of the City's forms (such as beneficiary designations and completed retirement applications) to keep in your database? Do you keep beneficiary information online?
45. What is the expectation of the City's involvement with you in order for you to provide administration services with respect to benefit calculations and estimates?
46. Do you provide an administrative or procedures manual that includes a timeline of critical dates, roles, and responsibilities?
47. Will you customize materials for the City? Is there additional cost for customization?
48. Describe your administrative process for correcting payroll data and performing edit checks on incomplete or missing data. Discuss how such data problems are resolved.
49. Describe your administrative capabilities for mailing termination benefit information packages directly to terminated vested plan participants. Describe in detail your processes and procedures for commencements from terminated vested status upon reaching Normal Retirement Date.
50. Do you prepare 1099R Tax Forms and issue tax statements to participants who receive distributions, including forms and tax statements for beneficiary distributions and related filings?
51. Describe the process you use to track and maintain employee beneficiary data. Do you do periodic participant beneficiary solicitations for clients?
52. Describe in detail how your system handles Federal and State tax reporting. Do you provide tax form preparation and filing? How do your systems support tax reporting for participants who have moved outside of the United States?
53. Does your system provide for in-service distributions for participants beyond their required beginning date? Describe how your database supports such in-service distributions.
54. Please describe how your clients normally provide census data updates (i.e. address changes, employment status changes, new eligible employees)? Can your system capture manually entered census data from multiple locations?
55. Describe your process for searching for participants who have not cashed their distribution payment checks.
56. Can your system handle COLA pension increases or ad-hoc COLAs for retired participants? How does your system handle the calculation of active retirement results to reflect automatic COLAs?
57. How do you locate deceased or missing Plan participants? Please describe your procedures including frequency and search databases utilized. Do you verify deceased participants via the Social Security Administration? Do you use third party search offerors for this need. Please provide the frequency with which such searches are performed.
58. Does the system generate popup error warnings and are these standard or can they be customized?
59. Describe your service standards and turnaround time for the completion of the following: Issuance of annual defined benefit Participant Statements; Transaction Confirmation Statements; Hard Copy Plan Level Administrative Reports; Retirement Benefit Calculations/Estimates; Defined Benefit Retirement Packages; QDRO Processing.
60. Describe how you will process retirement payment authorizations/instructions with the bank/custodial trustee. Will you perform a monthly payment reconciliation of processed payments/changes?

D. System Testing

1. Describe your testing life cycle for newly developed system functionality before it is released internally to your staff and used for services to clients.
2. Describe your different testing environments (development, unit test, integration testing, UAT, etc.) and how they are utilized.

3. Does the client have access to different testing environments?
4. What are the client requirements for testing and sign-off during the implementation cycle?
5. How is configuration or control data managed from environment to environment during testing?
6. How is employee data managed from environment to environment during testing?
7. Please describe a typical testing plan for a new customer going through implementation, including the number of “rounds” considered standard and covered under the quoted fees before the client sign-off. Please provide the typical number of hours commitment required for client staff during implementation.

E. Regulatory and Compliance Services

1. Describe your ability to ensure regulatory compliance for the City of Burlington and how you address any issues that occur.
2. Describe how you monitor §401(a)(9) required minimum distributions including:
3. Identification of individuals
4. Determination of the amount of the minimum required payment
5. Payment within required deadlines.
6. Annual updates for those in pay status
7. Describe your capabilities and timeframes for monitoring maximum benefit and compensation limits.
8. How do you address violations of compliance with any regulations?
9. As part of your service, do you provide an annual benefits file, containing financial and non-financial data by participant?
10. Please provide a current SSAE 16 audit of your DB administration services/systems, or any other recent audit you have performed.
11. Please acknowledge and describe in detail your fiduciary responsibility with respect to the City of Burlington’s DB Plan.
12. How will you ensure that the Plan administration remains in compliance?
13. How do you ensure that your recordkeeping system is in compliance with all applicable rules and regulations?
14. How quickly are any such regulatory changes reflected in the system?
15. Do you provide a client with plan information needed for any public reporting needs?
16. What resources do you have to obtain legal opinions, interpretations of laws, regulations, and other matters pertaining to DB plans?
17. If the City wanted a detailed review conducted of your DB administration processing over a specific period, would you allow on-site access to the reviewing third-party to interview your staff members who perform the administration?

F. Annual Plan Audit

1. What assistance do you provide to your clients for any conducted audits?
2. Please provide a listing of documentation and reporting that would be included in support of an audit.
3. Do you offer any performance guarantees with respect to delivering information for such an audit?

G. Systems Capability/Hardware

1. Describe the hardware platform and software system you use to administer defined benefit plans.

2. Was the software developed internally, leased, or purchased from another offeror? Who has the ultimate responsibility and authority to make sure the software remains current to laws, regulations, client needs, etc.?
3. How long have you used these systems for defined benefit administration?
4. Are the different outsourcing services you offer fully integrated for process and systems connectivity?
5. Please provide a diagram of the integration of your systems for administration services.
6. Are you planning any major change in the software or hardware supporting your system in the next 24 months? If yes, please describe.
7. Describe your documented disaster recovery plan. How often do you test your recovery system?
8. Where is your main data processing center located? Where is your back-up center located?
9. Where is your customer service center located? Where is your back-up customer service center?
10. Describe your maintenance and back-up procedures including daily back-ups, retention timetable and off-site back-up storage approach.
11. Describe any system outages within the last three years and how have they been handled? Has any liability resulted from these outages and are there any pending claims related to these outages?
12. Please explain your disaster recovery plans and procedures to handle the following situations: Loss of inbound telecommunications services by the carrier; Individual system failure including the following systems: PBX, IVR, application server, case management system; Loss of power; Loss of daily backup/natural disaster.
13. Provide information on how short outages (2 hours or less) vs. prolonged outages (more than 2 hours) would be handled.
14. How often and how is your backup plan tested?
15. Please describe the most severe disaster that has occurred at your facility and explain the cause, how it was handled, and what steps were taken to prevent future occurrences.
16. Describe the method of maintaining plan sponsor and participant history on the system.
17. Describe in detail your procedures and safeguards used to guarantee: Security for your hardware and facility; Authorized access to data; Confidentiality of data; Security for any hard copy of plan-related data or documents.
18. Are internal controls of your system audited by an independent accounting firm on an annual or more frequent basis? If so, who conducts the audit?
19. How are Participant and/or Plan Sponsor requests for changes made? (e.g., online submission of beneficiary information, etc.)

H Technology – Systems, Software, and Database Questions

1. Systems - What technologies or functionality separates you from your competition?
2. Systems - What client browsers, versions, and configurations are and are not supported?
3. Software – Have your applications been developed using an object-oriented model? If not, what software engineering approach is used?
4. Systems - Are any other applications or services which your system may be dependent on, provided by a third party offeror? If so which and by whom?
5. Software - Who would be responsible for any customization of the systems and continued maintenance to ensure compatibility with future core application releases?
6. Systems - What is the capacity for number of simultaneous users for your applications?
7. Systems – Do your systems applications exhibit any time zone issues such as clocks being seasonally turned back or ahead? Are data capture timestamps using local (client) time or server location time?
8. Software - Does the web application generate dynamic pages?
9. Software - Are cookies utilized? Please describe their usage. (also see Security)

10. Systems - Does the applications provide multi-lingual interfaces?
11. Systems - Describe any Electronic Data Interchange (EDI) functionality that may be in use.
12. Systems - Describe any batch processes and scheduling capability available for client use.
13. Software - What is the software change management process (versioning, dating, etc.)?
14. Systems - Describe mechanisms for client system upgrades, if any.
15. Systems - Do upgrades require any downtime? If so, please explain duration, etc.
16. Software - What Quality Assurance measures do you have in place?
17. Systems - Describe the testing methods and processes used during the development and testing phases.
18. Systems - How are systems problem reports and resolutions documented?
19. Systems - Are all application test cases and scripts that are developed for use during your testing phases available for client use and modification to facilitate the City's user acceptance testing?
20. Systems - What processes have been defined for the client business owners to be able to provide input for future functionality?
21. What kind of system upgrades and expenditures are planned and scheduled for the next 18 months?
22. Database – Describe the capacity planning guidelines for initial setup and future requirements.
23. Database – What database and version is being used for your application? Please describe any and all that may be used throughout the application
24. Database - Is data updated in real time? Are there any areas where it is not updated in real time?
25. Database - Does your database software package provide full text searching capabilities on the most current (real time) data?
26. Database - What mechanism is employed for initial conversion activities?
27. Database - What access level restrictions apply to the data?
28. Database - Are stored procedures used, and if so, to what extent and for what functionality?
29. Database - Are you familiar with applicable government data protection regulations, and are all governmental data protection regulations being adhered to?

I. Security

1. Policy - Do you have any documented security requirements for your web application?
2. System - Are application error messages constructed consistently and without excessive information?
3. System - Does your application prevent the browser from caching sensitive information?
4. System - Are cookies used for authentication within the application?
5. System - Do cookies contain sensitive information?
6. System - Do the cookies expire? If so, after how long?
7. System - Are the cookie paths and domain parameters restricted as appropriate for each application?
8. System - Does each application contain its own file for authenticating users (i.e. User ID and password file)?
9. System - Are all session IDs randomly generated?
10. System - Is the session ID set to a reasonable length to protect against brute force guessing?
11. System - Is the session ID perishable?
12. System - Is the session ID sent over SSL?
13. System - Are concurrent sessions with one session ID prevented?
14. System - Describe how your application supports single sign-on.
15. User Application Administration - Who is responsible for the administration of the User IDs for the application?

16. User Application Administration - Is every user of the application (both end users and administrators) required having his or her own unique ID of which no other person knows the password?
17. User Application Administration - How is the user's identity properly authenticated, when a change in authority or a password is reset?
18. User Application Administration - Does the application incorporate a "super user" type of User ID for system administration? If so, what are the privileges associated with that role?
19. User Application Administration - Does the application system prevent the use of generic User IDs or block support for multiple concurrent sessions using a single user? If not, do user administration procedures prevent creation of generic User IDs?
20. User Application Administration – Does your system have permissions that allow certain groups to see and edit only specific data? Who administers these permissions?
21. Administration - When short-term access is needed for a powerful resource or authority, can that access be assigned with a time limit or expiration date?
22. Administration - What are your format guidelines for password construction, (e.g. 8 characters, alpha-numeric, etc.)?
23. Administration - Do the application passwords expire after a predetermined period of time (i.e. every 60 days for normal users, every 45 days for "super users") or can they be configured?
24. System - Are all passwords required for system to system communication "changeable" (i.e. no hard-coded passwords)?
25. Encryption - What methods are employed to encrypt and protect confidential or sensitive information (passwords, pass phrases, other personal information) as it transits from browser to server and back?
26. Encryption - Does anyone have the capability to decrypt any of the encrypted information that is captured and stored by the application? If so, is the capability restricted to personnel that have a relevant business need to know access and view the data?
27. Encryption – Do you utilize a Secure File Transfer Protocol (SFTP) when exchanging information with the client?
28. Facility - Please provide information about the security of the facility where the participant data will reside. Comment on the security of key data elements such as SSNs, dates of birth, etc. and the steps maintained within facility and within your administration unit to protect it.
29. Audit - Does the application system record all unauthorized or unsuccessful attempts to log on to the system? Can these be viewed by the client?
30. Audit - Does the application lock out User IDs after a predetermined number of invalid logon attempts?
31. Audit - Does the application log users off or require re-authentication after a predetermined period of inactivity? If the application does provide automatic timeout functionality, is the timeout period configurable by the client?

J. Plan Implementation

1. Describe your approach to implementing changes to business processes, systems and applications that may be required by clients.
2. Describe a typical implementation of your administration services (including expected duration).
3. Describe your standard implementation team structure.
4. What is the extent of your actuarial support if it is needed during implementation of DB plans for such things as actuarial equivalent calculations, etc.?
5. Describe the resources and expected time commitment that the City will need to provide for implementation.
6. What techniques are used to ensure that data integrity and data quality are a part of the implementation plan?

7. Give examples of recent transitions by the team that will be assigned, providing at least one situation that included significant “Lessons Learned”.

K. Historical Data Capture and Cleaning

1. Describe your typical implementation and your migration process.
2. Do you have data capture and cleaning tools that you would utilize and have available to support the City in capturing the data for this project? If so, describe your data “cleaning” tools and your data “capture” tools.
3. Describe your typical approach to capturing and cleaning historical data.
4. What role will the City be required to play in the collection of historical data? Will you work directly with the City’s current DB administration outsourcing offeror to facilitate the data transfer process?
5. If it is necessary for you to become involved, please provide separate pricing for your firm to be involved in the capture and cleaning of the City’s historical data.
6. What are the City’s options in “going live” with your outsourcing solution if a data capture/cleaning project is needed and is not complete?

L. Customer Service Center

1. Where are your customer service center(s) located? Where are your back-up customer service center(s) located? Please indicate the location and back-up location that would service the City’s participants. Does the client have any choice in which customer service center services their participants?
2. What are the standard hours of operation of your customer service center(s)? Is this flexible if the City requests different hours?
3. What is your turnover rate for customer service representatives?
4. What are your educational requirements for your customer service representatives (CSRs)? Focus on call center skills, use of call center equipment, benefit training, HR training, customer service, problem resolution, and other operator training areas.
5. What languages are your CSRs capable of handling?
6. Is your systems solution fully integrated with the customer service function? What workflow tools do you have in place for escalation of calls and routing of process? Are your clients able to access your workflow tools to see the current status of a request?
7. Please provide statistics concerning typical customer service levels for your clients – average wait time, frequency of abandoned calls, average call length, average volume on standard and peak periods, etc.
8. Describe your training process to bring on a new CSR for a client’s plan. How long before a new representative will commence dealing with “live” calls? Are clients involved in testing new CSRs?
9. How do you monitor and maintain quality standards on customer service calls?
10. How do you increase CSR staffing for peak periods?
11. Do you have different levels within the customer service function for call escalation? Under what circumstances is a call referred to a plan administrator outside of the customer service center?
12. Are all calls recorded? Are all callbacks by customer service representatives and plan administrators recorded? What is the accessibility of these recordings by the client and how long are they retained?
13. Are client assigned staff dedicated to a specific client or do they work on multiple client assignments? How are your staff supported and phone coverage maintained for periods of vacation, FMLA, disability, etc.?
14. Will the City have a dedicated toll free 800 phone number for the City’s participants to use?

M. Automated Voice Response System (VRS)

1. Please provide a phone number and instructions on how to access a demonstration of your automated VRS capabilities available to DB participants.
2. Describe the services available through your automated VRS.
3. Do you have a back-up center for the VRS? If yes, where is it located, and is it in continuous operation?
4. Describe the PIN management process including timing of assigning new PIN at the initial conversion and upon new plan enrollment.
5. At what point in the call can a participant elect to move from the VRS to an operator?
6. What DB transactions can be processed through the voice response system (i.e., PIN changes, address changes, etc.)?
7. Is the VRS fully capable of generating all the necessary administrative forms to handle retirement requests, beneficiary change requests, etc.?
8. Do any VRS transactions generate written confirmations? Can Participants request confirmation statements be e-mailed to them?
9. Does your VRS capture and retain information regarding the confirmation of a participant request?
10. In a situation whereby a participant calls the VRS but does not properly provide the needed information to complete the needed transaction, do you retain a record that such a call was placed but not executed?
11. How quickly is the VRS updated after changes are performed?
12. Can both active participants and retired participants perform change requests through the VRS? Can you provide a feedback report back to the City to update their records for such changes?
13. Does your VRS accommodate non-English speaking participants? Please describe the accommodations.
14. Does the VRS accommodate hearing/speech impaired participants? Please describe the accommodations.
15. Describe how data is secured within the system (i.e., PIN, audit trail, changes, confirmations).
16. Describe the security through which a participant passes to use your voice response system (e.g., recorded lines, personal identification numbers, and confirmation notices).
17. Describe any security breaches that resulted in improper access through your VRS within the last three years.

N. Reporting and Participant Communications

1. Describe the standard reporting package that you would provide the City (provide samples).
2. Will the City be able to generate these reports and other reports on-line?
3. What is the standard timeframe for providing each plan sponsor report after the reporting period ends?
4. What types of demographic participant data will you be able to provide?
5. Describe your flexibility to produce ad-hoc plan level reports.
6. Describe your standard participant statements and documents (provide samples).
7. Describe your customization capabilities for branding participant statements.
8. Do you have the flexibility to include a section for customized messages from the City on participant statements?
9. Can you include other printed information, prepared by the City, with the mailing of statements to participants? If so, please verify that this service is available at no additional cost.
10. Can statements be provided to participants on an on-demand basis?
11. Briefly describe your background and experience in providing communication and education programs.

12. How long have you been providing communication services to the public sector?
13. Describe separately your initial and on-going communication and education program (including printed material, visits, training, etc.). If the program is tailored to a specific plan sponsor need, identify the critical issues to be determined in designing such a program.
14. Provide samples of initial and on-going communication and education materials.
15. Identify the key elements provided as part of a standard communication and education program package.
16. Will you provide participants with onsite, group education and retirement planning sessions or pre-retirement seminars on an on-going basis? (Yes/No). If yes, please list the titles of the subjects that are covered in your program. No description necessary.
17. Do you offer video or web-based educational programs to participants and retirees? (Yes/No). If yes, please list the classes/courses currently available. No description necessary.
18. Do you provide information to Plan participants regarding options on distributions? Describe any services or programs you provide for participants leaving the Plans.
19. When was the content and look of your standard materials last modified?
20. Do you create all of your communication and education materials in-house or through third parties? If so, fully disclose.
21. Describe the City's role in the communication and education process.
22. To what extent can the City customize communication and education materials (e.g., plan name, logos)? Please state if there would be additional charges for customizing or editing these communication materials.
23. Are you willing to provide customized surveys to assess the success of the education program? (Yes/No).
24. How do you propose staffing for employee education seminars? Please provide your rationale for determining the appropriate staffing for the Plan.
25. What is your annual cost associated for each dedicated service representative?
26. How many field service representatives are you assigning to the Plan? Will they be 100% full-time dedicated representatives? Where will they be located for the City?
27. Will you need to hire any additional staff in order to service the City's account?
28. Briefly describe the credentials and related experience of any local service representatives who will be assigned to the City.
29. How many other plans' accounts will the City's assigned representatives be responsible for?
30. Will the representatives assigned to the City's Plan be employees of your firm?

O. Participant Internet Services

1. Provide an Internet address and instructions on how to access a demonstration of your Internet capabilities for both the participant and plan sponsor.
2. Describe in detail your Internet capabilities. What types of web-based Internet services do you provide to Plan participants?
3. Please specify participant transactions available.
4. Please specify any transactions that cannot be completed via your Internet site.
5. Can a participant add/change beneficiary information online?
6. Can the Plan Sponsor manage sick leave conversions online?
7. What communication materials or tools do you offer the Plan participant via the Internet?
8. How are participant-initiated transactions processed through the Internet? Are confirmations sent? Are they available immediately?
9. Can participants e-mail account specific questions via the Internet site? If yes, who receives the e-mail, researches the issue, and responds? What is the turnaround time?
10. Do you track Internet site hits? If yes, describe what is tracked and the standard reports the City will receive.

11. Describe the security through which a participant passes to use your Internet system. What firewalls do you have in place for your Internet services?
12. What improvements to your Internet capabilities are designated to occur in the next two to three years?
13. Are the VRS, Internet, and Customer Service Center's workstation all linked to the same recordkeeping database?
14. Describe any online capabilities that your system provides for plan sponsor access.
15. Does your website include the ability for the participant to load other retirement income in order to run multiple retirement projection scenarios?
16. Does your website include the capability to add/change beneficiary information?

P. Employer Education

1. Describe all training you can make available to the City's benefits, HR, and payroll staff regarding general defined benefits topics.
2. Do you provide education services for the City with respect to Fiduciary responsibilities and regulatory updates? Are there annual conferences?
3. Do you provide ongoing training and support regarding the transmission and receipt of contribution/payroll files?
4. Do you provide ongoing training and support regarding features of the plan sponsor website?
5. Do you update the plan sponsor about plan compliance with current and future regulatory requirements including any participant notifications?
6. Do you provide training and support in providing documentation for the annual plan audit?
7. Do you provide training and support regarding Employee Benefits Communications?
8. Do you provide a full summary of processes and procedures that you utilize with respect to defined benefit administration?

Q. Fees/Contract

1. It is expected that a contract with milestones (contract signing, testing, implementation, etc.) is implemented with clients. Have you entered into this type of arrangement in the past?
2. When do ongoing administration fees start?
3. Does the fee you quoted include any contingency to pay for any future regulatory or plan changes that will require system changes? If so, what kinds of changes would be included in the quoted fees? If not, please provide the estimated cost of such types of required changes to the systems and/or administration processes.
4. What is the standard length of time that you contract your services?
5. Please provide a copy of your standard contract including your standard performance guarantees.
6. Do you quote DB administration outsourcing fees on a per participant fee or flat fee basis? Please indicate the reason why you quote on a specific basis, if any.

R. City Requirements

1. Identify all requirements and responsibilities of the City and the City team to ensure successful implementation. Please include time and activities that will be required.
2. What are the ongoing responsibilities of the City and City team? Identify what ongoing support will be required by the City team to ensure all of the needs of members are met. Please include time and activities that will be required.
3. Please provide a detailed implementation plan that clearly identified the City's deliverables and responsibilities.

PART C PROPOSAL FORMAT AND EVALUATION

C-1 FORMAT OF OFFEROR PROPOSALS

This section sets forth the format that must be followed by offerors in developing their proposals in response to this RFP. Proposals that vary from this prescribed format are subject to being judged non-compliant and withdrawn from consideration.

The offeror must understand that BERS will view the degree of compliance with this section as an indication of the degree of cooperation to be expected from the contractor in working with BERS after contract award. BERS' request in this vein is not arbitrary; rather it is designed to enable the evaluation team to compare, in as straightforward a manner as possible, the contents of all proposals. Thus, it is in the offeror's best interest to organize its proposal as described below.

Offerors are to submit separately bound and separately packaged Service and Cost Proposals. No cost information is to be included in the Service Proposal – with the single exception of Section 1.5, Exceptions, in which it is permissible for offerors to include relative or differential cost information (i.e., percentages are acceptable; hard dollar amounts are not). Please refer to the discussion under 1.5 Exceptions, below.

The proposals are to be prepared on standard 8½" x 11" paper. All proposals are to be in single-column format and page-numbered from first page to last, with the permitted exception of attachments to the proposal. A Table of Contents must be included. Foldouts containing charts, spreadsheets, and other necessary supporting documentation are permissible, but must be held to a minimum. The pages must be placed in a binder with tabs separating the major sections outlined below. Figures and tables must be numbered and referenced in the text by that number.

The following information must appear on the title page of each copy of both the Service and Cost Proposal:

<p style="text-align: center;">Burlington Employees Retirement System (BERS)</p> <p style="text-align: center;">Service or Cost Proposal for [Pension Outsourcing Services]</p> <p style="text-align: center;">Federal Tax ID Number: _____</p> <p style="text-align: center;">Closing date and time for submission of proposals: _____</p> <p style="text-align: center;">[Name, title, address, telephone numbers of organization submitting proposal]</p>

Signature _____

An individual authorized to bind the respondents to its provisions must sign proposals. The proposal must remain valid for at least one hundred eighty (180) days from the proposal receipt deadline.

Offerors must provide the following number and type of submissions when submitting their proposals:

-) Three (3) originals (marked as original) of the Service Proposal.
-) Three (3) originals (marked as original) of the Cost Proposal.
-) One (1) Jump Drive of the Proposal; in Microsoft Word and/or Excel format – one folder containing proposal as submitted and another folder containing proposal with confidential information redacted or removed and in PDF format (refer to Section **Error! Reference source not found.** for provisions relating to confidential proposal material).

All printed copies of proposals and the electronic version provided on Jump Drives must be clearly labeled to be easily identifiable with the offeror’s submission. The Word and Excel files must be provided in an “unlocked” form that will allow BERS to edit, insert comments, “cut-and-paste” and annotate the documents and spreadsheets with comments and revisions during its evaluation. Finally, we point out that BERS’ internal review of the electronic version of the response is greatly facilitated if the proposal is a single MS Word document.

Specific contents to be included in each section of the offeror’s proposal are discussed in detail below.

Table of Contents

Each page of the proposal must be numbered (with the possible exception of pre-printed material included in attachments), and each section heading must appear in the proposal Table of Contents.

Proposal Letter

The Proposal Letter must be included and must be signed by a person authorized to legally bind the company. It should clearly indicate the name of the responding organization, including the Respondent’s e-mail address and web site address as well as the name, address, telephone number and e-mail address of the organization’s primary contact for this proposal.

Failure to include this signed proposal letter may result in needless delays.

PART A Offeror Information

A-1 General Information

A-1.1 Offeror Certifications and Affirmations

In this section, the offeror must include the following statements of affirmation:

-) A statement regarding the offeror's legal structure (e.g., a LLC, a corporation), Federal tax identification number, principal place of business, and status of registration to do business in the state of Vermont with the Vermont Secretary of State

-) A list of the people who prepared the offeror’s proposal, including their titles
-) The name, phone number, and email address of a contact person who has authority to answer questions regarding the offeror’s proposal
-) Identification of any contact that the offeror or any other third party which has been retained by the offeror in any manner has had with BERS staff, BERS Board members, or legislative or gubernatorial staff related to the procurement. In addition, describe the nature of the contact, the dates, and the substance thereof. Failure to do so accurately may be grounds for rejection of your proposal and/or cancellation of any subsequent contract.

The offeror must also include the following seven certifications:

1. Certification as to whether the offeror has ever had a contract terminated for default or cause. If so, the offeror must submit full details, including the other party's name, address, and telephone number.
2. Certification as to whether the offeror has ever been assessed any penalties in excess of five thousand dollars (\$5,000), including liquidated damages, under any of its existing or past contracts with any organization (including any governmental entity). If so, the offeror must provide complete details, including the name of the other organization, the reason for the penalty, and the penalty amount for each incident.
3. Certification as to whether a client has ever demanded payment of a performance bond or a bid bond of the offeror. If so, provide the name of the client, client contact information and an explanation of the circumstances.
4. Certification as to whether the offeror has ever been, or is currently, the subject of any governmental action limiting the right of the offeror to do business with that entity or any other governmental entity.
5. Certification as to whether trading in the stock of the offering company has ever been suspended. If so, provide the date(s) and explanation(s).
6. Certification as to whether the offeror, any officer of the offeror, or any owner of a twenty percent (20%) interest or greater in the offeror has filed for bankruptcy, reorganization, a debt arrangement, moratorium, or any proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding.
7. Certification as to whether the offeror, any officer of the offeror, any director of the offeror, or any owner with a twenty percent (20%) interest or greater in the offeror has been convicted of a felony or is currently under indictment on any felony charge.

If the answer to any of the seven (7) certification items above is affirmative, the offeror must provide complete details about the matter. An affirmative answer to any of these items will not automatically disqualify an offeror from consideration. The committee will make its decision based on its determination of the seriousness of the matter, the matter’s possible impact on the offeror’s performance on this project, and the best interests of BERS.

A-1.2 Statement of Understanding

In this section, the offeror must summarize its understanding of the requirements set forth in the RFP. Responses should clearly identify which of the services requested above are included in the proposed offering.

Proposals should also include Appendix A (provided in this RFP), signed by an authorized representative or lead consultant attesting that all terms, conditions and procedures outlined in this RFP are understood and have been followed

A-1.3 Deliverables

In this section, the offeror must identify and briefly describe the service deliverables it will provide to BERS. The offeror is encouraged to identify and cost additional services, as it deems appropriate.

A-1.4 Assumptions

In this section, the offeror must identify and discuss all assumptions it has made in preparing its proposal. Further, the offeror must state that there are no further assumptions related to meeting requirements of the RFP other than those enumerated in this section of the proposal.

Please include any assumptions you have made with regard to facilities to be provided by BERS for office space and meeting / training rooms.

Any assumptions mentioned elsewhere in the offeror's proposal will not be valid unless they are also listed in this section.

In setting forth their assumptions, offerors should note the difference between "assumptions" and "exceptions" and take care that no **exceptions** to the RFP's requirements are included. Valid "assumptions" are suppositions made by the offeror about issues on which the RFP is silent. "Exceptions" are suppositions made by the offeror that contradict, or fail to conform with, one or more of the requirements stated in the RFP. Any items that are actually exceptions to the RFP's requirements, but misrepresented by the offeror as assumptions in Section A-1.4 of the proposal, will be treated as exceptions by BERS – and will, due to the misrepresentation, have a greater negative effect on the offeror's technical score than would be the case had the item been correctly classified by the offeror as an exception. (See A-1.5 Exceptions below for a discussion of how to set forth exceptions.)

A-1.5 Exceptions

In this section of the proposal, the offeror must affirm that it has read and understands the RFP, any RFP amendments issued, and the questions and answers provided during and after the bidders conference. The offeror must state in this section of the proposal any and all exceptions it takes with the technical / functional requirements and deliverables set forth in the RFP and/or with any terms and conditions contained in the RFP relating to the ensuing contract. Only those exceptions identified in this single section of the proposal will be considered by BERS; any others "distributed" across the proposal will be superseded by the provisions of this RFP and will not be considered or honored by BERS.

For each exception listed in Section A-1.5 of the proposal, the offeror is required to propose at least one alternative that would still be acceptable to the offeror, as a potential offeror, and that the offeror reasonably believes will be acceptable to BERS. In other words, the offeror is required to be creative in addressing all exceptions by setting forth two alternative versions of each one (alternative A and B) in the hope that the offeror and BERS will more quickly arrive at a mutually acceptable compromise. The alternative versions of each offeror exception may take various forms – again, the offeror is being encouraged to apply creativity in order to accommodate legitimate offeror reservations in a fashion that will not lead BERS to reject the bid due to onerous exceptions.

A-2.0 Offeror's Qualifications

This section shall include details on the experience of the offeror and offeror's recent clients having requirements similar to those of BERS.

A-2.1 Offeror Background

This is an introduction to the offeror's company: its history, scope of operations, organization, size, and any other relevant information about the company that the offeror desires to include.

In this section, the offeror must provide basic information about its organization, including the following:

-) The name of the offeror and the location of its principal place of business and all other offices, including the location of the office which will perform work on behalf of BERS
-) Any change in the ownership status of the company in the past three years (or any forthcoming change)
-) The average number of employees over the past five years, the average number of full-time employees, the average number of contract employees, and the average number of total employees (state explicitly the number of professional employees)
-) Number of years in business
-) Brief history of company, products, and services
-) Company and product visions; must demonstrate commitment to product life and enhancement for at least eight years
-) Industry innovations or best practices
-) Number, nature and name of subsidiaries and operating divisions
-) Where incorporated or otherwise legally established
-) Representative client list
-) Include a copy of any applicable certifications.

A-2.2 Relevant Project Experience

The details of offeror's experience relevant to the project shall include a summary of the offeror's experience over the past three (3) years in offering pension services for multi-employer, defined benefit, public employee retirement systems. To meet BERS' minimum qualifications, the offeror must be able to cite five or more such previous public sector projects. This section shall also include a discussion by the offeror regarding similarities between BERS and the client implementations cited.

Offerors should submit a list of at least five current and former (within the past five years) clients and describe the work performed for each, together with an analysis of the degree of similarity in the scope of the services BERS desires to that of the referenced client. Indicate whether the client is a current client (i.e., one with whom a project is currently underway) or a former client (i.e., one for whom no work is being performed). For all references, include the site name, the name / title / phone / address of a client representative who is familiar with that work and may be contacted regarding the firm's qualifications and past performance, start and end dates of the contract, and the initial and final project cost, including all change orders. Provide a brief summary of the project including but not limited to business problem, scope, approach, and resources applied. In addition, provide for each reference a list

of the major subcontractors that supported the project and a list of all offeror staff members proposed to BERS who also participated in the referenced client project.

All references may be contacted by BERS to verify the offeror’s claims. Offerors are advised to ensure that the contact person’s telephone number is current and that each reference contact is willing to discuss the offeror's performance with the evaluation committee. Offers are welcomed to include more than five references if they wish.

Reference information should be provided by using the form on the following page, or in a similar manner. Replicate the form as necessary to provide profiles of all client references.

FORM 1. OFFEROR CLIENT REFERENCE FORM		
Burlington Employees Retirement System Pension Outsourcing Services – Offeror Client Reference		
Reference #:	Offeror Name:	Project Name:
Client:		Client Address:
Type of Organization:		
Client Phone:		
Contact Name:		Contact Address:
Contact Title:		
Contact Phone:		Contact Email Address:
Service Start Date:		Service End Date:
Project Summary, scope, approach, deliverables provided, resources applied):		

Similarity to BERS Project:						
List all offeror staff members proposed to BERS who also supported the referenced client:						
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; width: 33%; padding: 5px;">Staff Member Name:</th> <th style="text-align: left; width: 33%; padding: 5px;">Proposed Role for BERS:</th> <th style="text-align: left; width: 33%; padding: 5px;">Role on Referenced Client:</th> </tr> </thead> <tbody> <tr> <td style="height: 100px;"></td> <td></td> <td></td> </tr> </tbody> </table>	Staff Member Name:	Proposed Role for BERS:	Role on Referenced Client:			
Staff Member Name:	Proposed Role for BERS:	Role on Referenced Client:				

A-2.2.2 Presentations

In this section, affirm the offeror’s commitment to provide oral presentations (led by the offeror-proposed Project Manager) at BERS’ offices, if so requested by BERS, in response to Section **Error! Reference source not found.** of the RFP.

A-2.3 Financial Information

This section of the proposal must contain offeror's current and two previous years’ audited financial statements, including consolidated balance sheets and income statements (statement of profit and loss). Failure to provide this information may be grounds for rejecting offeror’s proposal. (The offeror’s annual report to shareholders should be included as an attachment – see below.) The offeror must describe the trends of the last five years in revenues, employees, and profitability. If the offeror is a subsidiary of a larger corporation, financial information specific to the offeror is required. An overall corporate information package may also be submitted.

Identify any legal actions, lawsuits, arbitration or formal protests related to public employee retirement systems projects in which the offeror is currently involved as a defendant at the time the proposal is submitted. Additionally, identify any other such actions in which the offeror has been involved during the past five (5) years.

The offeror must inform BERS if any entity used as a reference has a financial relationship with the offeror whereby the client may receive any sort of compensation, including but not limited to reduction in fees, commission, and/or credits based on references leading to sales of offeror's software, hardware, other products, or services.

The same financial information described above must be provided for any subcontractors and/or third parties proposed to participate in the project.

The offeror must summarize the percentage of its organization's current revenue that is derived from outsourcing service engagements. Similar information must be provided for each of the previous two (2) years.

A-2.4 Offeror Staffing

In this section, the offeror must provide detailed descriptions of how the offeror's team experience will meet the relationship requirements. Include team members' resumes (as discussed below), tailored to highlight experience and skills specifically relevant to their role on this effort.

The offeror must identify all the key personnel. Offerors are encouraged to specifically identify additional project staff members, if necessary. Each staff member proposed shall be identified by title, as well as by responsibilities and job functions and current client / home office location. The number of other personnel to be assigned shall be identified by job function and by firm.

BERS understands that the offeror may have one or more other proposals open and under consideration by other prospective clients and that offeror staff included in the BERS proposal may have been included in these other proposals. For any offeror resource so allocated, the offeror shall indicate in its proposal the role for which each such resource was assigned for each open proposal and the capacity (e.g., hours, % FTE) for which they have been proposed. In addition, the offeror will indicate what method it will use to resolve any conflict arising from the award of contracts competing for these resources.

Offerors shall also include the resumes of all key employees, and any other proposed staff members who are identified by name in the proposal. Those resumes must describe in detail the employee's experience in similar efforts as well as past education and training and certifications. Each resume must include, at minimum, the following information about each employee: name, title, role on project, # years related experience and detail of that experience, education, certifications, credentials, and years with the firm.

Offerors must also confirm in this section of the proposal their understanding that:

- J Personnel whose names and resumes are submitted in the proposal shall not be removed from this relationship without prior approval of BERS. Substitute or additional personnel shall not be used for this project until a resume is received and approved by BERS.
- J The replacement for any staff member who is removed from or leaves the relationship for any reason must match or exceed the replaced staff member in terms of skill level and experience. Such replacements are subject to BERS approval/rejection at the time of the assignment as well as at any time during the 90 days after the replacement begins work.

PART B Offeror Response to Project Scope

This section will contain the offeror's response to the project scope and their approach to delivering the required services. Also, in this section describe your approach to the transition from our current recordkeeping system. The completed questionnaire (exhibit 1) should be included in this section.

PART C Cost Information

The costs for the services and deliverables identified in Part B above should be presented in the following format:

- J) *Implementation Cost(s) – Offeror should present the total cost for implementation, with detail for each component of the fee.*
- J) *Ongoing, Annual Fee(s) – Offeror should present a proposal for the total costs to be incurred in each of the first three years of the initial term of the contract related to the pension outsourcing services (Section B.1). The fee schedule should include detail cost for each component offered, and should identify if the fee is fixed or variable. Please note, fixed fee proposals are preferred.*
- J) *Hourly Rates – Provide a schedule of hourly rates for each staffing level which may be utilized to perform the Consulting Services identified in Section B.3. Also, provide the estimated annual level of effort for these services.*
- J) *Other Charges – Please identify any other charges which BERS could expect to incur during the term of the initial contract*

ATTACHMENTS:

Attachment 1 Offeror’s Annual Financial Report to Stockholders and Audited Financial Statements

Attachment 2 Samples of Documents Delivered

Attach samples of documents provided to other clients on an adhoc, periodic (define period) basis

C-2 PROPOSAL EVALUATION

The evaluation and offeror selection process will be based on “best value”. This procurement method will be used so as to result in the “best buy” for BERS in terms of the functions to be performed.

The evaluation committee may request written clarifications of any offer received. However, BERS in its sole discretion may refuse to accept in full or in part the response to a clarification request given by any offeror.

Offerors are cautioned that the evaluators are not required to request clarifications; therefore, all offers should be complete and reflect the most favorable possible terms. BERS may elect to conduct negotiations with one or more offerors and make requests of offerors as may be necessary or proper for best and final offers (BAFOs).

The best and final offers must be received at the address identified in Section A-1.2 at a time and date to be specified by BERS. If a best and final offer is not submitted, the previous submittal will be construed as the best and final offer. BAFO proposals must be prepared in the same number of copies and packaged and submitted according to the same instructions that apply to the initial proposal submission (please refer to Section C-1). Final ranking of responses and award of the contract will be made after BERS reviews all bids and completes its evaluation, including the evaluation of best and final offers, if they are requested. An award will be made to the offeror with the most advantageous offer.

C-2.1 BID EVALUATION

In compliance with the City of Burlington’s Procurement Policy, City staff will evaluate all complete proposals from qualified consultants. Consultants will be scored up to a maximum of 125 points based on the following criteria:

- 1) **Experience & Qualifications** relevant to key personnel and/or sub-contractors (15 pts)
- 2) **Project Understanding & Knowledge of Area** depth of relevant experience (25 pts)
- 3) **Proposed Team** and their relevant experience (10 pts)
- 4) **Budget & Value** as related to proposed and additional costs (15 pts)
- 5) **Depth of Skills** related to technical aspects of project (15 pts)
- 6) **Depth and Quality of Service** offered to members (10 pts)
- 7) **Level of Experience** with projects of similar size, structure and complexity (10 pts)
- 8) **Quality, Clarity & Completeness** of submittal package (10 pts)
- 9) **References** and review of offerer's provision of services (15 pts)

Responses will be reviewed by City staff, and possibly its consultants, based upon the information provided in the proposal. Additional information may be requested prior to final selection. The city intends to accept the bid it determines to be in the best interests of the city, based on the overall proposal, not exclusively on cost or any other specific factor. The city reserves the right to amend, modify, reject, negotiate, or accept any bid in whole or in part at its sole discretion. It is anticipated that a decision will be made within 30 days of the due date.

PART D TERMS AND CONDITIONS

It will be necessary for responding parties to comply fully with the following terms and conditions outlined in this document if they are to be considered. A letter attesting that the respondent has read, understands, and followed all procedures is a part of this RFP must be included as part of the final submittal (see Attachment A).

Communications

It is extremely important that all respondents are given clear and consistent information. Therefore, all respondents are required to submit any questions related to this project or RFP process via email. Responses to all submitted questions will be posted on the City of Burlington website at: <https://www.burlingtonvt.gov/RFP>. Questions concerning this RFP must be received via email per the schedule outlined on page 1. Inquiries received after this date will not be considered or answered.

Respondents should not communicate with any City department or employee during the submission process except as described above. In addition, no communications should be initiated by a respondent to any City official or persons involved in evaluating or considering the statement of qualifications or proposals. Communication with any parties for any purpose other than those expressly described herein may cause an individual firm, or team to be disqualified from participating.

General Compliance with Laws

The Consultant shall comply with all applicable Federal, State and local laws, including but not limited to the Burlington Livable Wage Ordinance, Union Deterrence Ordinance, Non-Outsourcing Ordinance, and City insurance requirements. A certificate of compliance with these ordinances will be required. The Livable Wage ordinance can be found at the following link: <http://www.burlingtonvt.gov/CT/Livable-Wage-Ordinance/>. Provisions of the resulting Agreement shall be interpreted and implemented in a manner consistent with each other and using procedures that will achieve the intent of both parties. If, for any reason, a provision in the Agreement is unenforceable or invalid, that provision shall be deemed severed from the Agreement, and the remaining provisions shall be carried out with the same force and effect as if the severed provisions had never been a part of the Agreement.

OWNERSHIP OF DOCUMENTS

Proposals, plans, specifications, and other documents prepared and submitted under this RFP shall become the property of the City.

PUBLIC RECORDS

Any and all records submitted to the City, whether electronic, paper, or otherwise recorded, are subject to the Vermont Public Records Act. The determination of how those records must be handled is solely within the purview of City. All records considered to be trade secrets, as that term is defined by subsection 317(c)(9) of the Vermont Public Records Act, shall be identified, as shall all other records considered to be exempt under the Act. It is not sufficient to merely state generally that the proposal is proprietary or a trade secret or is otherwise exempt. Particular records, pages or section which are believed to be exempt must be specifically identified as such and must be separated from other records with a convincing explanation and rationale sufficient to justify each exemption from release consistent with Section 317 of Title 1 of the Vermont Statutes Annotated.

Other terms

Costs for preparing your proposal in response to this request are solely the responsibility of the respondent. The City of Burlington, Vermont assumes no responsibility and liability for costs incurred by parties responding to this RFP or responding to any further requests for interviews, additional data, etc., prior to the issuance of the contract. The City of Burlington reserves the right to accept or reject any or all Statement(s) of Qualifications or proposals, with or without cause, and to waive immaterial defects and minor irregularities in responses. All decisions related to this solicitation by the City will be final. The City reserves the right to request clarification of information submitted and to request additional information of one or more respondents. All materials submitted in response to this RFP will become the property of the City upon delivery. This solicitation in no way obligates the City of Burlington to award a contract.

Equal Opportunity: the selection of consultant shall be made without regard to race, age, color, religion, sex, sexual orientation, gender identity, marital status, veteran status, disability, HIV positive status, genetic information or political affiliation. The City of Burlington is an Equal Opportunity Employer and encourages proposals from qualified minority and woman-owned businesses.

REGISTRATION

A successful consultant must be registered with the Vermont Secretary of State's office as a business entity doing business in the State of Vermont at all times the contract is effective. This registration must be complete prior to the execution of a contract.

INSURANCE:

Prior to beginning any work Consultant shall obtain the following insurance coverage from an insurance company registered and licensed to do business in the State of Vermont and having an A.M. Best insurance rating of at least A-, financial size category VII or greater (www.ambest.com). The certificate of insurance coverage shall be documented on forms acceptable to the City of Burlington. Compliance with minimum limits and coverage, evidenced by a certificate of insurance showing policies and carriers that are acceptable to the City of Burlington, must be received prior to the effective date of the Agreement. The insurance policies shall provide that insurance coverage cannot be canceled or revised

without thirty (30) days prior notice to the City of Burlington for cancellation. In the event that this Contract extends to greater than one year, evidence of continuing coverage must be submitted to the City of Burlington on an annual basis. Certified copies of any insurance policies may be required. Each policy (with the exception of professional liability and workers compensation) shall name the City of Burlington as an additional insured for the possible liabilities resulting from Contractor's actions or omissions. It is agreed that the liability insurance furnished by the Consultant is primary and non-contributory for all the additional insured. The Parties, for themselves, their insurers, and their officers, employees and agents, do hereby mutually waive all rights of subrogation on any claims of general liability, auto liability, and worker's compensation.

Consultant is responsible to verify and confirm in writing to the City of Burlington that:

(a) All Sub-Contractors, agents or workers meet the minimum coverage and limits plus maintain current certificates of coverage for all Sub-Contractors, agents or workers. Sub Contractors must comply with the same insurance requirements as MOPA.

(c) All work activities related to the agreement shall meet minimum coverage and limits.

No warranty is made that the coverage and limits listed herein are adequate to cover and protect the interests of Contractor for Contractor's operations. These are solely minimums that have been developed and must be met to protect the interests of the City of Burlington.

GENERAL LIABILITY AND PROPERTY DAMAGE:

With respect to all operations performed by Consultant, Sub-Contractors, agents or workers, it is Consultant's responsibility to insure that general liability insurance coverage, on an occurrence form, provides all major divisions of coverage including, but not limited to and with limits not less than:

1. Premises Operations
2. Independent Contractors' Protective
3. Products and Completed Operations
4. Personal Injury Liability
5. Contractual Liability
6. Broad Form Property Damage
7. Medical Expenses
8. Collapse, Underground and Explosion Hazards

1. General Aggregate	\$2,000,000
2. Products-Completed/Operations Aggregate	\$2,000,000
3. Personal & Advertising Injury	\$1,000,000
4. Each Occurrence	\$1,000,000

5. Fire Damage (Any one fire)	\$ 250,000
6. Med. Expense (Any one person)	\$ 5,000

WORKERS' COMPENSATION: With respect to all operations performed, Consultant shall carry workers compensation insurance in accordance with the laws of the State of Vermont and ensure that all Sub-Contractors carry the same workers' compensation insurance for all work performed by them under this contract. Minimum limits for Employer's Liability:

- (a) Bodily Injury by Accident: \$500,000 each accident
- (b) Bodily Injury by Disease: \$500,000 policy limit, \$500,000 each employee

PROFESSIONAL LIABILITY INSURANCE:

- (a) General. The Consultant shall carry professional liability insurance covering errors and omissions made during their performance of contractile duties with the following minimum limits:

\$3,000,000 - Annual Aggregate

\$1,000,000 - Per Occurrence

- (b) Deductibles. The Consultant is responsible for any and all deductibles.
- (c) Coverage. Prior to performing any work, the Consultant agrees to provide evidence of E&O insurance coverage defined under this Section. In addition, the Consultant agrees to attempt to maintain continuous professional liability coverage for the period of the agreement and whenever applicable any construction work related to this agreement, and for a period of five years following substantial completion, if such coverage is reasonably available at commercially affordable premiums.

AUTOMOBILE LIABILITY: The Consultant shall carry commercial automobile liability insurance covering all motor vehicles, including owned, non-owned and hired, used in connection with the agreement. Each policy shall provide coverage with a limit not less than: \$1,000,000 - Combined Single Limit for each occurrence.

UMBRELLA LIABILITY:

\$1,000,000 Each Event Limit

\$1,000,000 General Aggregate Limit

INDEMNIFICATION

The Consultant will act in an independent capacity and not as officers or employees of the Municipality. The Consultant shall indemnify, defend and hold harmless the Municipality and its officers and employees from liability and any claims, suits, expenses, losses, judgments, and damages arising as a result of the Consultant's acts and/or omissions in the performance of "non-professional services" under this contract. As used herein, "non-professional services" means services provided under this Agreement other than professional services relating to the design and/or engineering of all or part of the project. The Municipality shall notify the Consultant in the event of any such claim or suit covered

by this Subsection and the Consultant shall immediately retain counsel and otherwise provide a complete defense against the entire claim or suit arising out of “non-professional services” provided under this Agreement. The Consultant shall indemnify the Municipality and its officers and employees in the event that the Municipality, its officers or employees become legally obligated to pay any damages or losses arising from any act or omission of the Consultant arising from the provision of “non-professional services” (as defined herein) under this Agreement.

The Consultant shall indemnify and hold harmless the Municipality and its officers and employees from liability and any claims, suits, expenses, losses, judgments, and damages arising as a result of the Consultant’s acts and/or omissions in the performance of “professional services” under this contract. The Consultant shall be obligated to indemnify and hold the Municipality, its officers and employees, harmless from and against monetary damages to third parties, together with reasonable costs, expenses and attorney’s fees incurred and paid by the Municipality in defending claims by third parties (collectively “Damages”) but only in the event and to the extent such Damages are incurred and paid by the Municipality as the proximate cause of negligent acts, errors or omissions (“Professional Negligence”) by the Consultant, its employees, agents, consultants and subcontractors, in providing the professional services required under this Agreement. As used herein, “Professional Negligence” or “negligent acts, errors or omissions” means a failure by the Consultant to exercise that degree of skill and care ordinarily possessed by a reasonably prudent design professional practicing in the same or similar locality providing such services under like or similar conditions and circumstances.

After a final judgment or settlement, the Consultant may request recoupment of specific defense costs and may file suit in Vermont Superior Court, Chittenden Unit, Civil Division, requesting recoupment. The Consultant shall be entitled to recoup costs only upon a showing that such costs were entirely unrelated to the defense of any claim arising from an act or omission of the Consultant.

The Municipality is responsible for its own actions. The Consultant is not obligated to indemnify the Municipality or its officers, agents and employees for any liability of the Municipality, its officers, agents and employees attributable to its, or their own, negligent acts, errors or omissions.

In the event the Municipality, its officers, agents or employees are notified of any claims asserted against it or them to which this Indemnification clause may apply, the Municipality or its officers, agents and employees shall immediately thereafter notify the Consultant in writing that a claim to which the Indemnification Agreement may apply has been filed.

RELATIONSHIP

The parties agree that Consultant is an independent contractor. To that end, the Consultant shall determine the method, details, and means of performing the work, but will comply with all legal requirements in doing so. Neither the City of Burlington nor its departments shall provide Consultant with specific instructions or training in how to provide the required services, except to the extent required by law or regulation. Consultant shall provide its own tools, materials or equipment. In providing services under this Agreement, Consultant shall perform in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances at the same time and in the same or similar locality. The parties agree that neither Consultant nor its officers or employees are employees of the City of Burlington or any of its departments, agencies, or related entities. The parties also agree that neither Consultant nor its officers

or employees is entitled to any employee benefits from the City of Burlington. Consultant understands and agrees that it and its officers and employees have no right to claim any benefits under the Burlington Employee Retirement System, City's worker's compensation benefits, health insurance, dental insurance, life insurance or any other employee benefit plan offered by City. Consultant agrees to execute any certifications to the best of its knowledge, information and belief, or other documents and provide any certificates of insurance required by City and understands that this contract is conditioned on its doing so, if requested.

Consultant understands and agrees that it is responsible for the payment of all taxes on the above sums and that the City of Burlington will not withhold or pay for Social Security, Medicare, or other taxes or benefits or be responsible for any unemployment benefits.

RESERVATION OF RIGHTS

It is the intent of the City to select the proposal that it deems to be in the best interests of the City. To that end, the City reserves the following rights:

1. To accept any proposal in whole or in part;
2. To accept multiple proposals if doing so is in the best interests of the City;
3. To reject any or all proposals in whole or in part;
4. To waive any informalities, omissions, or irregularities in any proposal;
5. To terminate and reissue this RFP for any reason;
6. To remedy any error in the RFP process without reissuing it; and/or
7. To change or negotiate any specifications in the City's sole discretion.

APPENDIX A

City of Burlington RFP: Defined Benefit Plan Administration Outsourcing

Understanding of RFP Procedures, Terms and Conditions

This page to be returned with submission

I acknowledge that I have read and understand all procedures and requirements of the above reference RFP and have complied fully with the general terms and conditions outlined in the RFP.

Consultant Team: _____

Representative's Printed Name: _____

Representative's Title: _____

Representative's Signature: _____

Date: _____