



“The Capital City of the Palm Beaches”

PROCUREMENT DIVISION

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Addendum No.: 2
RFP 10-11-129
June 16, 2011

**DEFERRED COMPENSATION AND DEFINED
CONTRIBUTION PLAN ADMINISTRATION SERVICES**

Each recipient of this Addendum No. 2 to the Request for Proposals (RFP) who responds to the RFP acknowledges all of the provisions set forth in the RFP and agrees to be bound by the terms thereof. This addendum and Addendum No. 1 shall modify, clarify, change or add information and clarification and become part of the above referenced RFP.

A. Questions and Answers:

1. In questionnaire #2, Question 5, the question asks for us to please identify *all* differences between our prototype and the City’s existing plans. Can the City please provide its current plan documents for review?

Answer: Please review the documents listed as Exhibits A and B for review.

2. Please provide the current number of representatives servicing the plan.

Answer: There is currently only one (1) Representative servicing the plan.

3. Please provide the number of offices and/or locations in which on-site meetings and seminars will take place.

Answer: There is one primary location-City Center however; a representative will need to provide services at other City Locations when needed (open enrollment, educational classes, etc.). Other locations are as follows; Police Department, Water Plant, Wastewater Plant, Complex and 7 Fire Stations.

4. Are there any surrender charges, termination fees or market value adjustments that may be imposed by the current firm upon contact termination? If so, what is the amount?

Answer: It is our understanding that there are no surrender charges.

5. The RFP indicates that there are 628 participant accounts in the 457 plan and 1244 participant accounts in the 401a plan. The ING plan reviews indicated that there were 415 participants actively contributing to the 457 plan and there were 881 active participants in the 401a plan at the end of 1Q 2011. How many of these participants are in both plans?

Answer: There are 127 employees that participate in the Deferred Compensation and Defined Contribution plans.

6. On page 6 it is stated: 4. Proposed Plan Offerings: The Proposer shall evidence its understanding of the work to be performed and shall describe the proposed plan offerings. The City has included a questionnaire on pages 31-41. The proposer is not required to address each question individually but, rather incorporate their responses to those questions in their proposal and to limit the proposed plan offerings to no more than five (5) pages. However, on page Page 30 of 42 it states: "Include the responses to these questions as a part of your proposal." Should proposers answer every question contained in Attachment G, Questionnaires 1 - 6? Or, should we only provide you with a 5-page summary of our product offering?

Answer: All questionnaires should be answered by incorporating into the 5 page proposed plan offering.

7. On page 8 you state that the plan is "currently being administered by 3 different firms," but only data on the ING plan is included. Who are the other 2 firms? Would you please provide plan data (assets, participants) on those 2 firms?

Answer: The City of West Palm Beach has one (1) provider for both the Defined Contribution and Deferred Compensation plans.

8. Are you seeking just one provider for this plan?

Answer: Yes.

9. Will all assets with the current provider(s) in the plan be rolled into the new provider's plan?

Answer: Yes, funds will be mapped to the new plan.

10. On page 8, you state: "The City of West Palm Beach (hereinafter known as "City") is seeking a qualified and experienced firm to provide directly, not through a conduit, deferred compensation and defined contribution plan administration services for City employees of the City." Please define what you mean by "conduit." What type of firm or relationship would constitute a conduit for purposes of this RFP?

Answer: The City wishes to work directly with the plan sponsor. A conduit would be a third party between the City and the Plan Sponsor.

11. On page 31 of 42 you ask: "Will you provide services if a portion of plan assets are managed by an outside investment firm? If yes, describe any requirements for doing so." Please clarify what you mean by this question. Do you mean the Bogdahn Group would serve as the outside investment firm? If so, would you please clarify the role of the Bogdahn Group. Will vendors be charged a fee for the Bogdahn Group's services? If so, what is the fee?

Answer: The question refers to the Administration of third party investment advisor firms not our consulting relationship with the Bodghan Group. The plan currently uses Listed Mutual Funds and not separate account managers. The question is really about your flexibility in administering third party separate accounts should the plan ever choose to move in this direction.

12. Will Bogdahn Group monitor the funds for this plan? Will Bogdahn Group act as fiduciary for the Plan Sponsor?

Answer: Yes, Bogdahn will monitor the funds and act as fiduciary.

13. In the “Communications and Investment Education” section you ask: 2. What do you recommend for the City? Please clarify what you are seeking with this question. Do you mean what kind of full-service can we provide? Or, what type of investments can we provide?

Answer: We are asking what would you offer as Communication and Investment Education for our employees.

14. You ask for 1 original and five copies. How many binders of supplemental marketing material would you like?

Answer: We prefer not to have any supplemental marketing material only that which is pertinent to the proposal and helps to answer questions about your firm’s background.

15. When will vendors receive answers to these questions? How will we receive the answers (i.e., via email or website?)

Answer: The answers are included in the Addendum and posted to our website and an email notification is sent.

Proposers must acknowledge receipt of this Addendum Number Two in the space provided below. This Addendum forms an integral part of the RFP documents and therefore must be executed. Failure to return this addendum with your proposal submittal may be cause for disqualification.

Issued By: City of West Palm Beach
Procurement Division
June 12, 2011

Signed By: Althea Pemsel
Althea Pemsel, MA, C.P.M.
Purchasing and Contracts Manager

PROPOSER: _____

Signed By: _____

Print Name: _____

Title: _____

Date: _____

**EXHIBITS “A and B”
DEFINED CONTRIBUTION RETIREMENT SYSTEM (A)
and
DEFERRED COMPENSATION PLAN (B)**

NOTE:

The documents noted above are listed as PDFs on the Procurement Division Website along with this Addendum.