

REQUEST FOR PROPOSAL

GETTYSBURG BOROUGH, ADAMS COUNTY, PA

59 East High Street Gettysburg, PA 17325

PROPOSAL FOR: Pension Plan Services Provider

RFP NOTICE NUMBER: 2013-01

SERVICES PROVIDED FOR: 2 pension Plans Police Pension Plan / Defined Benefit
Non-Uniform Pension Plan / Defined Benefit

NOTICE DATE: **January 7, 2013**

CLOSING DATE: **January 18, 2013**

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MINIMUM REQUIREMENTS TO RESPOND

SEE: REQUEST FOR PROPOSAL NOTICE – Applicants that respond to this RFP must be able meet or exceed the minimum criteria stated on the **REQUEST FOR PROPOSAL NOTICE**. Applicants that do not meet these criteria cannot be considered.

COMMUNICATIONS

SEE: REQUEST FOR PROPOSAL NOTICE

DESIGNATED POINT OF CONTACT

SEE: REQUEST FOR PROPOSAL NOTICE

STATUS NOTIFICATION FROM THE MUNICIPALITY TO APPLICANTS

This table details the means by which the municipality’s **POINT OF CONTACT** will convey periodic Applicant Status Notification results to applicants as necessary...AND...the required responses, if any, by the Applicants.

All Applicants are reminded to review and carefully adhere to the “Communications” restrictions published in the Request for Proposal Notice

Applicant Status Type	Means of Notification	Response Required by Applicant
Acknowledgement of Receipt of RFP from an Applicant	E-mail to Applicant from the municipality’s POC	None
<i>Active Applicant</i> – following Pre-Screening	Applicant Status Notification Form – by FAX	None
<i>Disqualified Applicant</i> – following Pre-Screening (or other disqualifying circumstance)	Applicant Status Notification Form – by FAX	None
Selected Applicant – following Detailed Review Process	Applicant Status Notification Form – by FAX	E-mail response *see below
Non-Selected Applicant – following Detailed Review Process	Applicant Status Notification Form – by FAX	E-mail response *see below
Non-Selected Applicant – following Interviews	Applicant Status Notification Form and other required documents – by Certified US Mail (signature required)	None – except under “appeal”
Selected Applicant as <u>tentative selectee</u> – Following Interviews	Summary of Award Notice and Selectee Letter	E-mail response **see below
<p>* Applicants must: E-mail response to Municipality’s designated Point of Contact confirming receipt of Applicant Status Notice for either: <i>Non-Select Status</i> or <i>Selected Status</i></p> <p>*Selected Status Applicants must also confirm interview appointment and request Interview Prep Instructions.</p> <p>**<u>Tentative Selectee</u> – send e-mail response confirming receipt of official notice of selection.</p>		

PART A: RFP REQUIREMENTS AND SPECIFICATIONS

SERVICES REQUIRED – GENERAL:

All Applicants that respond to this RFP **must** be able to provide a complete package of pension services that will include:

1. Comprehensive investment services including: investment management, advisory services and strategy
2. Actuarial services: see “**Actuarial...**” in “**SPECIFICATIONS**” section below.
3. A comprehensive menu of pension administrative services: see “**SPECIFICATIONS**” section.
4. All banking and custodial services commensurate with maintaining a municipal pension plan
5. Additional administrative or advisory services, relevant to a PA municipal **Defined Benefit and Defined Contribution Pension Plans**; these services may be on an as-requested basis and not necessarily part of the main menu of services
6. Attend periodic meetings with the municipal leadership to review pension plan

SPECIFICATIONS FOR REQUIRED SERVICES:

All applicants that respond to this RFP **must** be capable of providing the following minimum specifications relative to the services required:

All applicants **must** be capable of providing the following minimum specifications relative to the services required:

INVESTMENT SERVICES MUST INCLUDE:

1. Products that are managed by Investment professionals that are SEC registered and demonstrate competitive GIPS returns
2. A reasonable degree of conservancy in the investment portfolio
3. Policy design that is commensurate with contemporary investment strategies for municipal pension plans
4. Bond Investments must be via investment grade bonds or bond funds investing in the same with “A” rating or higher.
5. An investment mix that is at or about 60% diversified equities and 40% bond or fixed investments – and deviation for equities and bonds of not more than + or – 15% (70% max on equities) and, cash or equivalents not to exceed 5%.

INVESTMENTS MAY NOT INCLUDE:

1. Insurance Products such as annuities or involving insurance contracts or similar obligations
2. Money Market or Certificates of Deposit accounts - as a primary source of investments
3. ETF's or index Funds as a major source of the investment portfolio (not more than 10% of total portfolio)
4. Investments of any type generally prohibited or considered too high-risk for municipal pensions

ACTUARIAL SERVICES FOR A BOTH POLICE AND NON-UNIFORM PENSION PLANS (DEFINED BENEFIT):

1. Preparation of the bi-annual Act 205 Actuarial Valuation Report
2. Additional cost studies or other definable actuarial functions that may be periodically required and chargeable on an as-needed basis (estimates for such must receive prior approval).
3. Review of pension documents and provide advice regarding compliance with Act 205, Act 600, and any other applicable laws, initially. Then provide advice as new legislative changes or revisions occur or become necessary.

ADMINISTRATIVE SERVICES MUST INCLUDE BUT ARE NOT LIMITED TO:

1. Preparation of financial statements
2. Preparation of all related pension forms required by PA and Federal government statutes
3. Preparation of the Minimum Municipal Obligation (MMO) as required by ACT 205
4. Maintaining accurate records of all active, vested, and retired plan members and other related data
5. Administrative services that include, document services, accounting and asset allocations, retiree payments and tax related accounting functions, and monthly transactions and semiannual account statements
6. Monitoring and accounting for all DROP's accounts initiated and authorized by the municipality.

ALL BANKING AND CUSTODIAL SERVICES:

- Provide all banking and custodial services commensurate with maintaining a municipal pension plan that include but are not limited to accounting and reporting of all transactions within the plan

ADDITIONAL ADMINISTRATIVE OR ADVISORY SERVICES, RELEVANT TO DEFINED BENEFIT PLANS:

- Applicants must be willing to provide additional administrative or advisory services, relevant to **Defined Benefit Plans** when requested by the municipality. These services may not necessarily be part of the main menu, chargeable on an ad-hoc basis.

OFFER PERIODICAL MEETINGS WITH THE MUNICIPAL LEADERSHIP TO REVIEW PENSION PLAN:

- The service provider must be willing to attend periodic meetings with municipal leadership to discuss relevant topics or developments.

PART B: PROCEDURES TO COMPETE & OTHER GUIDELINES

PROCEDURES TO COMPETE - GENERAL

ALL Applicants must:

1. Be able to fulfill all of the requirements stated in PART A: above;
2. Complete all required application material and return to the **Point of Contact** before the application deadline;
3. Abide by all policy and procedural requirements stated on any RFP document;
4. Understand that The RFP application documents in Part C and D of this RFP provide the majority of the necessary documentation and information required by the **RFP Selection Process Body** to adequately evaluate each applicant's potential to fulfill the **professional services contract** obligations desired;
5. Understand that unless specifically requested, no additional documentation is required or necessary – generally, this is specified in a section of this RFP labeled “**Additional Documentation Requested**”;
6. Be prepared to provide addition documentation, if requested, and by the deadline specified.

RESPONDING TO THIS RFP:

RFP Response Documents:

Applicants that respond to this RFP must provide the following documents by the specified **RFP Closing Date, January 18, 2013 and not later than 1 pm prevailing time**. Applications received **after this date and time** will not be considered for selection under this RFP. Applications that do not meet this deadline will be returned and by mail. Once applications have been received and processed, the designated **Point of Contact** will send an **E-Mail response** to confirm that the application has been received by municipality. All documents will be arranged in the order they are listed below. No other arrangement is acceptable or permissible.

BOUND DOCUMENT COPIES – 6 COPIES:

1. A completed **RFP Application (RFP Part C)**
2. Additional documents requested by the municipality – See “**Additional Documentation Requested**” below.

UNBOUND DOCUMENT COPY – 1 COPY:

1. A completed **RFP Application (RFP Part C)**
2. Additional documents requested by the municipality – See “**Additional Documentation Requested**” below
3. **ONE COPY ONLY** - A completed **Standard Disclosure Form (RFP Part D)**
4. **ONE COPY ONLY** - A completed **Applicant Status Notification Form (RFP Part E)** – header information only

NOTE: Only if requested, a current resume of anyone listed on the **Standard Disclosure Form, Item # 1**, and / or additional information as needed or that may be requested. This information may be requested after the closing

date and at the discretion of the municipality. Whenever applicable, applicants will be afforded sufficient additional time to respond to such requests.

Procedures for Responding:

1. **Prepare and send, or Deliver**, the a number of bound and unbound copies of the **RFP Response Documents** listed above and any additional information requested in this RFP to the municipality's designated Point of Contact, **NOT LATER THAN: 1pm, prevailing time, January 18, 2013**
2. Be prepared (only if requested) to forward a current resume of anyone listed on the **Standard Disclosure Form, Item # 1**, to the municipality's designated **POINT OF CONTACT**
3. Be prepared to respond to any additional requests for information and / or further directives
4. Check the municipal website posting periodically to see if any updates or changes to the schedule of events have been changed or modified

ADDITIONAL DOCUMENTATION REQUESTED:

Pursuant to Question # 16 of the RFP Application: Provide a sample of an *Annual Summary Statement* or *Annual Plan Statement* that indicates transactions within the plan. **This must be** of the same design as the one your firm will routinely provide this municipality, if you are selected.

Pursuant to Question # 21 of the RFP Application: Investment Performance Reports – Summary format: Provide one example of a recent summary report of investment performance (Quarterly or Annual Report **only**).

RFP PROCESS OVERVIEW:

The **RFP Process** will commence with the posting of the **Request for Proposal on the municipal website**. The following is a brief overview of the steps the municipality will take in conducting this process and subsequent determination of the **most qualified applicant** to receive award of the professional services contract:

1. The **Chief Administrative Officer (CAO)** monitors and acknowledges receipt of all applications.
2. The **CAO** Closes the RFP Application process by the designated deadline.
3. The **CAO** conducts the **Applicant Pre-Screening** to insure compliance with the **RFP Policy** and determine applicants' further eligibility to compete. A status will be assigned to each applicant; either **Active Applicant** or **Disqualified Applicant**.
4. The **CAO** will notify all applicants of their respective status via FAX.
5. The **CAO** will schedule dates and times for the each member of the **Selection Process Body** to conduct a **Detailed Applicant Review** of each application.
6. The **Selection Process Body** conducts a **Detailed Applicant Review** and rank each Applicant in accordance with the RFP Policy. A score and ranking from this process will be determined and **only** the top three (3) ranked Applicants will continue to the next step. Applicants that do not rank in the top 3 will be notified of their status and that they are no longer eligible to compete under this **RFP Process**.

7. The Top 3 Applicants will be notified of their status and an Interview appointment established.
8. The *Selection Process Body* will conduct **Applicant Interviews** and rank each Applicant in accordance with the RFP Policy. A **Final RFP Composite Score** is determined in accordance with procedural instructions. The Applicant with the highest **Final RFP Composite Score** will be considered the winner and the **tentative selectee** for award of the *Professional Services Contract* under this **RFP Proceeding**.
9. All Applicants, following the **RFP Interview** process will be notified of their respective status in accordance with the RFP Policy. This will conclude the **RFP Selection Process**.

APPLICANT REVIEW & INTERVIEW CRITERIA:

The *Selection Process Body* will review, all *Active Applicants*' applications, rank, and score them based on the following criteria:

NOTE: NO ADDITIONAL INFORMATION will be accepted or required during the interviews. Applicants will be expected to make presentations based on information provided in the applications and answer questions posed by the reviewing body.

Detailed Applicant Review Phase – 5 Categories:

Experience and Expertise	Quality of Services Proposed / Customer Service
Reporting and Accountability	Investment Performance Management & Service
Cost of Services	

The top three scoring applicants from the **Detailed Applicant Review Phase** will be considered the finalists for award of the professional services contract. Only the top three scoring applicants will continue to the last phase of the RFP process and tendered an invitation to interview.

The *Selection Process Body* will interview the top three Applicants and rank them based on following criteria:

Applicant Interview Phase – 2 Categories:

The quality of information presented during the interview
 The perceived ability of the Applicant to best meet the municipality's pension needs as outlined in the RFP

TIMETABLE OF EVENTS AND SPECIFIC CLOSING DATES *

EVENT	OPENING DATE*	CLOSING DATE*
REQUEST FOR PROPOSAL RESPONSE PERIOD – RFP'S ACCEPTED	7 January 2013	18 January 2013
RFP PRE-SCREEN PROCESS	21 January 2013	1 February 2013
RFP DETAILED APPLICANT REVIEW AND RANKING	4 February 2013	15 February 2013
APPLICANT INTERVIEW AND SELECTION PROCESS	25 February 2013	28 February 2013
MANDATORY WAITING PERIOD FOLLOWING INTERVIEW AND SELECTION & REQUIRED POSTING PERIOD	11 March 2013	(See Below)

* Dates are subject to adjustment / changes, if necessary but not without notification to all applicants

Mandatory Waiting Period will commence the day following the close of the **Selection Process**, which is scheduled for **March 11, 2013**. The borough has **10 consecutive days** from this date to forward all documents

related to the proceedings to all non-select applicants. From the date these notices are mailed, all non-select applicants will have **8 consecutive days** to forward an appeal, if desired, as stated below. This date will be clearly indicated on the **Applicant Status Notification Form**. After that date, no appeals will be accepted or reviewed.

WAITING PERIOD & PROCEDURE FOR APPEAL TO NON-SELECTION:

Waiting period and objection resolution procedure following a tentative selectee decision:

The waiting period between the time a tentative selectee and all other unsuccessful Applicants have been notified of their respective statuses and the expiration date of this period shall be 8 consecutive days. This period **will commence** when all notices have been mailed out and the same information has been simultaneously posted on the municipal website as prescribed in this Policy (if a website is maintained). The waiting period **will expire** at 3:00 pm on the 8th consecutive day following its commencement. After the expiration of this waiting period, the municipality may pursue the execution of the *professional services contract* with the tentative selectee, without further impedance, provided no objection to the selection has been made by any unsuccessful Applicant under the criteria set forth below.

Appeal of Non-Selection Instructions: If an unsuccessful Applicant, having received notification of their **non-selection** status following the completion of the **RFP Interview process**, objects to the decision and wishes to submit an appeal they **must notify the municipality**:

1. In writing and request confirmation of receipt by the municipality;
2. Clearly state the details supporting their objection and the specific reason(s) they believe the selection is/ was not in compliance with applicable laws and this Policy;
3. Insure that the objection is not speculative or strictly opinionative in nature, rather factual and is in direct relationship to item # 2 above; and
4. Insure that the **written objection is received by the municipality prior to 1:00 pm on the expiration date of the waiting period as** stipulated above – This is the **appeal deadline** date.

It is the responsibility of the unsuccessful Applicant raising the objection to insure that the preceding criteria are met. The municipality is not obligated to review or respond to any objection that does not conform to these criteria. It will be the responsibility of the *Chief Administrative Officer (CAO)* to determine if all if the criteria above are met before suspending the RFP Process. If, in the *CAO's* opinion, the criteria are not met, he/she will notify the applicant raising the objection that such is the case and that their request for appeal is denied. If an objection is made, and all of the stated criteria are met, the *CAO* will notify **via e-mail** the unsuccessful Applicant and all other concerned parties that the criteria has been met, the objection is under review, and the **RFP process** has been suspended indefinitely until a determination of validity and a subsequent course of action has been made.

Once this review of an objection has begun the municipality **will not, under any circumstances**, provide any details or respond to any type of communication regarding these proceedings to any interested party. All inquiries made to the designated **point of contact** for the **RFP Process** will be unanswered and immediately forwarded to the Municipal

Solicitor. All communications regarding the objection and the **RFP process** will come from the office of the Municipal Solicitor.

APPLICANT STATEMENT OF RESPONSIBILITIES:

It shall be the responsibility of any incumbent or perspective **Contractor or Applicant**; applying for, entering into contract for, submitting a bid or offer for, responding to a **Request for Proposal** on, or otherwise soliciting, a **Professional Services Contract**, to:

- (1) **Thoroughly familiarize** themselves with the **RFP General Policy Guidelines** and agree to abide by all guidelines and requirements stated herein;
- (2) **Thoroughly familiarize** themselves with all applicable statutes of the Commonwealth of Pennsylvania – most especially, Act 44 of 2009, Chapter 7-A;
- (3) **Inform all** subordinates of the company, subcontractors and advisors of the policies and laws in effect during the **Request for Proposal Process**;
- (4) **Maintain overall control** of subordinates of the company, subcontractors and advisors, insuring that they do not violate this Policy and thereby cause the **Applicant** to be placed in a **“Disqualified Applicant” status**;
- (5) **Acknowledge by participation** that any breach or lack of compliance with such, whether intentional or otherwise, will result in immediate disqualification and debarment from the **Request for Proposal** process for up to a period of three years.

For the Applicant, the **RFP Process begins** when an Applicant submits a completed RFP Packet in response to the **Posted Request for Proposal**. Submission of this will constitute an acknowledgement on the part of the **Applicant**, of a thorough understanding of the rules governing the **RFP Process**, and an agreement to abide by the same. Furthermore, all employees of the **Contractor** (the **Applicant**), subcontractors, advisors, and other applicable third parties, are considered subject to the same terms of agreement as stated above.

Reminder: It is the responsibility of the **Applicant** to submit these documents and any additional requested information by the **application closing date**. Further, all applicants are expected to respond to correspondences and other directives published in this RFP or as directed on those correspondences. Failure to comply with any of the preceding will result in the applicant being **Disqualified from the RFP Process** and the **Applicant** will not be permitted to compete for the **Professional Services Contract** under the current **Request for Proposal**.

Special Note: *The following Documents are provided as separately and in **Word.doc** format to facilitate Applicant responses. They will be sent (are provided) to each applicant, along with this Request for Proposal:*

1. **PART C: REQUEST FOR PROPOSAL – APPLICATION,**
2. **PART D: ACT 44 – STANDARD DISCLOSURE FORM,**
3. **PART E: APPLICANT STATUS NOTIFICATION FORM**