

Invitation to Negotiate

FINANCIAL EDUCATION SERVICES FOR THE FLORIDA RETIREMENT SYSTEM INVESTMENT PLAN

Issued by
THE STATE BOARD OF ADMINISTRATION OF FLORIDA

February 4, 2019

**DEADLINE FOR RECEIPT OF
NOTIFICATION OF INTENT TO RESPOND:
February 11, 2019 5:00 pm ET**

**DEADLINE FOR RECEIPT OF RESPONSES:
March 4, 2019 5:00 pm ET**

Submit Responses to:

**Ruthie Bianco
State Board of Administration of Florida
Office of Defined Contribution Programs
Hermitage Centre
1801 Hermitage Boulevard
Suite 100
Tallahassee, FL 32308**

Telephone:

(850) 413-1494

Do not contact SBA staff or any member of the SBA's Board of Trustees (or their respective staff) regarding this ITN. Direct all correspondence during the ITN process to the contact listed above.

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Section I – Purpose and General Information

A. Purpose

The State Board of Administration of Florida (SBA), Office of Defined Contribution Programs (ODCP), is soliciting competitive responses from vendors, through this Invitation to Negotiate (ITN), who would be qualified to offer retirement-related financial education services in order to comply with the provisions of section 121.4501, Florida Statutes, and with the objective of helping eligible members of the Florida Retirement System (FRS) take the best advantage of the alternatives the law affords them in light of their personal circumstances.

The firm selected to provide educational services to FRS members as required under section 121.4501, F.S., may not be the Investment Plan Administrator/Recordkeeper (third-party administrator) or a subunit of such Administrator/Recordkeeper, or an approved Investment Plan investment provider. An approved Investment Plan investment provider is defined under the statute as a private sector company that is selected and approved by the SBA to offer one or more investment products or services to the FRS Investment Plan (IP).

There is no prohibition against the selected educational provider being an investment product provider, or being affiliated with a provider, under the State University System Optional Retirement Program, the Community College Optional Retirement Program, or the Senior Management Service Optional Annuity Plan. There is also no prohibition against a selected educational provider being an investment product provider, or being affiliated with a provider, under any of the voluntary tax deferred savings plans sponsored by any participating employers of the State or its agencies, local governments, cities, or special districts. These include IRC Section 403(b), 457, 401(k), or any similar plans.

B. Background and General Information

Organization of the State Board of Administration of Florida

The SBA is an agency of Florida State Government that provides financial and trust services to various governmental entities. These include managing the assets of the Florida Retirement System (FRS) Pension Plan (an IRC Section 401(a) defined benefit plan), the Lawton Chiles Endowment Fund, the Local Government Surplus Funds Trust Fund, and a variety of smaller funds. Additionally, the SBA is the Plan Sponsor for the FRS Investment Plan (an IRC Section 401(a) defined contribution plan), and is responsible for a multi-media education program (i.e., MyFRS Financial Guidance Program) available to all active members of the FRS to help them make informed choices between the two FRS retirement plans, within their FRS plan choice period and beyond, and to prepare financially for retirement.

Governing Authority

The SBA has three Trustees ("the Board"). The Board consists of: the Governor (as Chairman); the Chief Financial Officer (as Treasurer); and the State Attorney General (as Secretary). The Trustees of the Board are elected statewide to their respective positions.

Administrative Structure

The Trustees delegate the day-to-day management of the FRS Investment Plan to the SBA's Executive Director & CIO, who serves at the discretion of the Trustees and is responsible for managing and directing all administrative, personnel, budgeting, investment policy, and investment functions. Within the SBA, the Office of Defined Contribution Programs (ODCP) is a separate budget entity reporting to the Executive Director & CIO.

Investment Advisory Council

The Investment Advisory Council (IAC) of the SBA consists of nine individuals with specialized knowledge, experience, and familiarity with financial investments and portfolio management. The IAC meets at least quarterly to review and discuss the SBA's investment strategy and performance of the FRS Trust Fund, FRS Investment Plan Trust Fund and other SBA investment responsibilities.

The Florida Retirement System (FRS)

The FRS presently has approximately 650,000 active (working) members and over 1,000 participating employers. Members are employees of state, county and city governments, school boards, community colleges and universities, and special districts. The FRS consists of two programs:

1. The FRS Pension Plan is a traditional public sector IRC Section 401(a) defined benefit program in which employees elect to participate in lieu of participating in the Investment Plan. (Note: Employees in the Special Risk Class will default into the Pension Plan if no election is made). Vesting is 6 years for members hired before July 1, 2011 and 8 years for those hired July 1, 2011 and after. The FRS Pension Plan has been in place since 1970 and has about 522,823 active members and 419,297 retirees. The total market value of the FRS Pension Plan was \$163.2 billion as of September 30, 2018.
2. The FRS Investment Plan is a participant-directed IRC Section 401(a) defined contribution program. Vesting is 1 year. Benefits accrue in individual accounts that are participant-directed, portable, and funded by employee and employer contributions and earnings. In accordance with Section 121.4501(15)(b), Florida Statutes, participants and beneficiaries bear the investment risks that result when they exercise control over investments in their accounts. The Plan has been in place since mid-2002 and had 190,210 active accounts and 130,342 retirees as of September 30, 2018. The total market value of the FRS Investment Plan was \$11.1 billion as of September 30, 2018.

In 2000, legislation was enacted directing the Trustees of the SBA to establish the FRS Investment Plan. Starting in mid-2002 and ending in early-2003, existing FRS Pension Plan members had the option of transferring a sum representing the present value of the employee's accumulated benefit obligation (ABO) to the FRS Investment Plan. Roughly 4% of existing employees chose to switch plans and transferred roughly \$278 million in ABO.

The approximately 1,000 independent employers that participate in the FRS hire about 60,000 new employees per year. New employees are enrolled in the FRS Investment Plan unless they affirmatively elect the FRS Pension Plan within 8 months after their month of hire. New employees enrolled in the Special Risk Class (i.e., firefighters, state police, correctional officers) are enrolled in the Pension Plan unless they affirmatively elect the Investment Plan within 8 months after their hire. Prior to January 1, 2018, the Pension Plan was the default plan for all new employees and employees had to make a plan choice within 5 months after their month of hire. Additionally, approximately 320 FRS Pension Plan members use their 2nd Election each month to switch to the FRS Investment Plan; transferring on average collectively approximately \$50 million per month to the Investment Plan. Very few Investment Plan members switch to the Pension Plan (approximately 6,500 since inception of the Plan in 2002).

3. For fiscal year July 1, 2017 – June 30, 2018 usage of education services were as follows:

	<u>Year-Ended June 2018</u>	<u>Annualized Growth</u>
MyFRS Guidance Line		
Total Calls	290,799	-4%
Choice Calls	187,046	-6%
Planning Calls	102,405	0%
Employer Calls	501	22%
Workshop Attendance (539 workshops)	16,686	-3%

Education and Advice

In conjunction with the 2000 legislation directing the Trustees of the SBA to establish the FRS Investment Plan, the Trustees were also directed to establish an impartial and balanced education program consisting of an initial and ongoing transfer education component providing employees with information necessary to make informed plan choice decisions, the features of available choices within their program of membership, and planning for retirement. The education program has been branded as the “MyFRS Financial Guidance Program”. Educational services are provided independently of investment or administrative companies. Ernst & Young (“EY”, the current participant communication specialist (PCS)), Alight Solutions and GuidedChoice (the current education content specialists (ECS)), Alight Solutions (current print service provider), and TekStream (current web portal provider) are under contract to provide educational services through print, video, internet, workshop, and on-the-phone channels. The educational and transactional website is www.MyFRS.com. The SBA also coordinates the education program with the Division of Retirement, the benefits administrator for the FRS Pension Plan.

The Division of Retirement (DOR)

The DOR is the administrative agency for the FRS Pension Plan. It provides full accounting and administration of benefits and contributions for the current defined benefit plan. The DOR initiates actuarial studies, recommends benefit and contribution changes, and proposes rules for the administration of the FRS Pension Plan. The State Legislature has the responsibility of setting contribution and benefit levels and providing statutory guidance for the administration of the FRS. The DOR operates as part of the MyFRS Financial Guidance Program, which they helped develop and actively support. The DOR also administers the Health Insurance Subsidy (HIS) program, provides retirement payroll reporting services, and manages the disability benefit programs for both the FRS Pension Plan and FRS Investment Plan.

Investment Plan Administrator/Recordkeeper and Plan Choice Administrator

The SBA currently has a contract with Alight Solutions for plan choice enrollment and administrative/recordkeeping responsibility for the FRS Investment Plan. This contract is separate and apart from the contracts the SBA has with Alight Solutions as a print communications service provider and online choice service provider. Recordkeeping is performed in a daily environment. Administrative services are provided independently of investment or education companies. Retiree services including withdrawals and payments are included in the contract with Alight Solutions.

Custodian

The SBA has a contract with BNY Mellon to provide custodial services and processing benefit distributions for the Investment Plan. BNY Mellon is responsible for all trading, calculating and providing net asset values (NAVs) and performance information for the Plan.

Investment Policy and Structure

An Investment Policy Statement (IPS) serves as the primary statement of Trustee policy regarding their statutory responsibilities and authority to establish and operate a defined contribution retirement program for members of the FRS. Section 121.4501(14), Florida Statutes,

directs the Trustees of the State Board of Administration to approve the IPS. The IPS also identifies certain education and investment policies. A copy of the IPS can be found at www.myfrs.com/pdf/ipips.pdf.

Additional information regarding the SBA is available on the SBA's website located at www.sbafla.com.

C. Investment Plan — Fund Descriptions

The Investment Plan currently offers 22 investment funds (11 funds spread across five asset classes, and 11 custom retirement date funds that are a mixture of various asset classes). The funds consist of mutual funds, institutional commingled trust funds, balanced funds, separate accounts and multi-manager funds. All funds are white labeled and carry the "FRS" label, and provide members' access to low cost institutional active and passive managers, including 11 custom retirement date funds. Details of the retirement date funds and the 11 investment funds can be found online at www.myfrs.com/InvestmentFundTabs.htm.

The Plan also offers a Self-Directed Brokerage Account (SDBA) to its members offered through Alight Financial Solutions.

D. Education Services to be Provided

Generally, the education vendor will provide member education in three related areas:

1. The initial election for new hires to decide between the defined benefit plan (FRS Pension Plan) or the defined contribution plan (FRS Investment Plan). This applies to new employees who have until the last business day of the eighth month following their month of hire to make an initial election. If they do not make an active election during this period, they will default to the FRS Investment Plan (Special Risk members will default to the Pension Plan).

Subsequent to the initial election period, *all* members of both plans receive educational support regarding their 2nd Election option available under Florida law to switch to the other plan so long as they are an actively working FRS member.

The vendor will utilize the online Choice Service tool provided by Alight Solutions to assist members in selecting their retirement plan.

2. Investment Plan members receive guidance about how to invest the assets in their account (average account balances are currently \$54,404).

In addition, investment education is provided to *all* members of both retirement plans regarding investing in other tax-deferred savings plans (e.g., IRC Section 457, IRC Section 403(b), IRA, etc.) as well as post-tax savings plans.

The vendor will utilize the online Advisor Service tool provided by GuidedChoice to assist members in investing their assets.

3. As a framework for both of the above decisions, an understanding of retirement planning is needed in order to establish reasonable financial goals and plans for post-retirement years. This planning is offered through multiple channels.

Responses to the ITN should be sufficiently detailed to demonstrate the Respondent's expertise and capabilities to provide necessary services in these areas, and include specific information on the methodology and framework used to provide education to members.

Specific education deliverables are defined in the Scope of Services of this ITN.

E. Minimum Qualifications

Respondents must be able to affirmatively respond to each of the following statements as of March 4, 2019 in order to be considered for the contract award:

1. The Respondent must accept and enter into a written services contract as supplied by the SBA. The services contract will be negotiated in final form during the negotiation process, unless the SBA elects otherwise in its sole discretion;
2. The Respondent must agree (by written affirmation) to provide the services as detailed in Section II, as well as agree to all other requirements as stated in this ITN;
3. The Respondent's key professionals and the organization must disclose any past or current actual, potential, or perceived conflicts of interest with the SBA, the members of its Board of Trustees (or their respective staffs), or any of the investment providers for the Investment Plan.
4. The Respondent's response to this ITN must be responsive fully to all of the requirements and questions set forth in this ITN.

Failure by any Respondent to satisfy the Minimum Requirements described in this Section E. will result in the automatic rejection of the Respondent's response.

Section II – Scope of Services

A. Overview

The deliverables which are sought for the education program of the Investment Plan and the MyFRS Financial Guidance Program are as follows:

- Key responsibility: Provide personal service for participant education.
- Key deliverable: Telephone support for Pension Plan/Investment Plan choice for both first and second elections, investing and retirement planning for both plans.
- Secondary deliverables:
 - Conduct employer education seminars when needed;
 - Conduct on-site employee education workshops (approximately 500 per year);
 - Provide one-on-one employee counseling, if requested;

B. Deliverables

The SBA seeks the following deliverables for the Investment Plan/MyFRS Financial Guidance Program education program. The SBA reserves the right to alter or amend the list of deliverables during contract negotiations. This list comprises a minimum set of deliverables. It is expected that Respondents will propose additional items they deem necessary to meet the overall objectives of the education program and the needs of FRS members in each functional area. All deliverables must comply with section 404(c) ERISA regulations.

It is required that the PCS, the ECS, the Investment Plan Administrator (Alight Solutions) (PA), the Investment Plan Web Administrator (TekStream) and the Division of Retirement (DOR) work closely to provide seamless integrated services to all FRS members. Toward that end, the PA, DOR and TekStream are responsible for giving the PCS electronic access to: (a) DOR-provided individual employee service and salary records; (b) DOR-provided estimated/actual determinations of each employee's Accumulated Benefit Obligation (ABO) transfer eligible amount; and (c) each Investment Plan participant's account balance and investment option allocation. This data will be used as input to software tools provided by the ECS.

On-site employer training

On-site seminars are periodically held at approximately 15-20 sites around the state to provide basic awareness training for benefit administrators. The PCS may discuss Pension Plan/Investment Plan comparison; basic elements of successful long-term investing; retirement planning fundamentals; how the various software tools in each of these three areas function and how to interpret their results. The PCS may also discuss the complete array of education and advice services available to employees and inform employers of their role within the education program.

Efforts of the PCS may be supplemented by SBA staff, the DOR, and the PA. DOR would review the Pension Plan and its benefits. The PA would discuss administrative duties for which employers are responsible. The PCS would be responsible for setting up the seminars with input from SBA staff.

In addition, four employer training workshops per year will be webcast and conducted by the SBA and DOR at the SBA's Tallahassee offices (webcast software to be provided by the PCS). Webcasts are to be recorded and will be posted on www.myfrs.com.

Toll-free telephone support line

All FRS participants have access to a toll-free support line, with access to representatives of the DOR, the PA, and the PCS. The line must be staffed with a sufficient number of qualified

customer service representatives. The line has call transfer capabilities providing a descriptive telephone menu greeting that educates callers on the types and sources of information available and enables callers to transfer directly to appropriate components of the customer service centers of DOR, the PA, or the PCS.

It is the responsibility of DOR, the PA, and the PCS to: (a) respond to all inquiries from participants in a positive and supportive manner; (b) accurately determine whether an employee has selected the correct menu option in order to meet his immediate needs; (c) minimize the degree to which an employee is transferred among the three organizations; and (d) provide seamless service to participants.

The PCS will provide a telephone guidance service staffed by appropriately credentialed, well-trained, competent personnel. The guidance service will answer participant education questions, explain any and all plan educational materials to participants, including the operation of online software tools, operate plan education software on behalf of participants and interpret software output.

The PCS will also provide participants with guidance on Pension Plan/Investment Plan choice, Investment Plan investing, and financial and retirement planning for members of both plans, utilizing the appropriate software of the ECS.

All telephone conversations with plan participants will be recorded and available to the SBA for review for participant dispute resolution purposes. For quality review purposes, 3-4 random telephone conversations will be reviewed weekly by both the SBA and PCS. In addition, it is expected that the PCS will regularly conduct its own internal review of telephone conversations.

Quarterly newsletters

The PCS will be responsible for providing occasional content for quarterly newsletters (employee and employer).

On-site employee workshops

The PCS, with input from the SBA, will be responsible for curricula development and delivery of a variety of topical educational workshops (currently 13 workshops) under the program. Workshops (approximately 500 annually) will be conducted on-site at the request of FRS employers, subject to a rationing mechanism approved by the SBA. Seminars will be conducted by appropriately credentialed, well-trained, competent personnel and range in length from 60-120 minutes. In addition, 16 workshops per year will be webcast at the SBA's Tallahassee offices (webcast software to be provided by the PCS). Webcasts will be recorded and be posted online at <https://www.myfrs.com/Workshop.htm>. The PCS is responsible for all workshop logistics and working with the requesting employers.

Respondents are encouraged to make workshop courses available through other media for consideration by the SBA as well.

Individual on-site employee counseling

The PCS will offer individual employee counseling sessions for a fee that is paid directly by the participant. Competent, appropriately credentialed, well-trained personnel will provide the counseling. It will be the responsibility of the PCS to work with the employer to notify employees of this opportunity and to schedule individual sessions.

Respondents are encouraged to have employee counseling sessions available through other media (e.g., live video, Skype) for consideration by the SBA as well.

Section III – Evaluation Criteria

Criteria:

The responses to this ITN will be independently evaluated by an Evaluation Team on the basis of the written responses to this ITN and additional written information as requested. If they are determined to be necessary, the Evaluation Team will conduct oral and/or onsite interviews. The evaluation will utilize the following broad scoring categories:

Scoring Categories:	Weights
Experience, qualifications and resources	60%
Quality, clarity and responsiveness of the proposal	5%
Adherence to ITN requirements	5%
Fees	<u>30%</u>
TOTAL	100%

The evaluation team will review the responses and assign a score to each category for each Respondent. The scoring by each member of the evaluation team will be aggregated to establish an overall ranking by the team.

Using the scoring and evaluation process, up to three firms will be recommended for possible interviews/presentations. Commitments made by the Respondents at the interviews will be considered binding. Information and materials obtained during such time will be used by the evaluators to prepare final scores for the Respondents. This final scoring may take into consideration any information, evidence or capabilities that, in the judgment of the Evaluation Team, demonstrate a finalist as being best qualified to provide the necessary services to the SBA. The Evaluation Team will then make a recommendation of finalist(s) to the Negotiating Team, who will then make a recommendation to the Executive Director of the SBA.

The Negotiating Team intends to evaluate fee proposals within the context of each Respondent's complete response and fee evaluation. Subsequent fee negotiations are expected to take place upon selection of the finalist. **The SBA will not be required to select the lowest-cost Respondent.**

The issuance of this ITN is merely the beginning of the negotiation process. Alternate means of accomplishing the requirements specified herein, with reasonable assurance of satisfactory results, will be considered and may be accepted, at the SBA's sole discretion, without further addendum to the ITN. The contract that shall serve as the agreement between the parties will be developed through the negotiation process.

The SBA may enter into negotiations with Respondents in order to achieve the most effective contract for FRS members. The SBA reserves the right to negotiate concurrently or separately with competing Respondents any time after the finalists are selected. The SBA reserves the right to accept portions of a competing Respondent's response and use such portions to form an overall program in the best interest of the SBA. Further, the SBA shall have the right to use any or all ideas or adaptations of the ideas presented in any response received pursuant to this ITN. Selection or rejection of a response will not affect this right. The SBA reserves the right to reject any and all responses or portions thereof. The SBA reserves the right to withdraw this ITN or a portion of this ITN without selecting a contractor. The right of the SBA to set aside submitted proposals and re-negotiate with its existing vendors is retained without exception.

Section IV – Timeline

The timeline of the search and evaluation process as currently planned (subject to changes at the sole discretion of the SBA without liability) is as follows:

Monday, February 4, 2019	ITN Issued
Monday, February 11, 2019	Notifications of Intent to Respond and Qualifications Due, no later than 5:00 p.m., EST
Monday, February 11, 2019	Requests and clarification questions on ITN due
Monday, February 18, 2019	Responses to ITN Questions Posted
Monday, March 4, 2019	ITN Responses Due; no later than 5:00 p.m., EST
Monday, March 25, 2019	Selection of Finalist(s)
April 29-May 1, 2018	Interviews, if necessary
Tuesday, May 7, 2019	Finalist Selection and Notification, Contingent on Successful Contract Negotiations
July 1, 2020	Contract Effective Date

Note: The SBA reserves the right to change the ITN Timeline. Changes will be posted on the SBA website: www.sbafla.com.

Section V – Required Information

The purpose of this section is to identify the information that should be submitted in response to this ITN and the order in which it should appear in the proposal response. Each response package should include the following, in the order listed below:

A. Cover Letter

The proposal shall contain a cover letter identifying the Respondent's name, principal office address, and the name, telephone number and email address of the person (or persons) authorized to represent the Respondent regarding all matters related to the proposal. The letter shall also explicitly affirm the following:

- The Respondent has the current capability to provide the proposed services.
- The Respondent has reviewed the minimum qualifications and meets the eligibility criteria set forth in Section I, Subsection E. of this ITN.
- The Respondent has thoroughly reviewed the ITN.
- The Respondent acknowledges and accepts all terms and conditions included in the ITN.

Note: A person authorized to bind the Respondent to all commitments made in its proposal must sign the letter.

B. General Information

Each proposal shall include the following:

1. A brief description of the Respondent's experience in providing the services identified in Section II, Scope of Services. Respondents must submit for each of the proposed members of the project team the following information:
 - The name of the person responsible for the project.
 - The role this person would play on the project and his/her role and position within the company.
 - Specific examples of related project experience that equips the proposed team member with the skills required to fulfill his/her role on the project.

2. Notice of Legal Proceedings

a) Each Respondent shall disclose any and all known or threatened material lawsuits, legal or administrative proceedings or governmental investigations, criminal actions or law enforcement activities (including those by federal, state or local authorities, or self-regulatory organizations) or non-routine Securities and Exchange Commission inquiries or investigations relating to Respondent or any of Respondent's affiliates, including any proceedings to which Respondent, its affiliates, or any of their respective officers, directors or employees, is a named party or of which any of such has been the focus. Is Respondent aware of any activities of its firm, its affiliates, or their respective officers, directors or employees that are likely to result in any of the above investigations or proceedings?

b) Please list and describe any such proceedings or actions that have occurred in the last two (2) years, including whether Respondent or any of its affiliates, or their respective officers, directors or employees has been censured by any regulatory body.

c) In the last two (2) years, has Respondent, its principals or any of Respondent's affiliates submitted a claim for errors & omissions, fiduciary liability and/or fidelity bond insurance coverage? If yes, please explain and provide details.

Note: Direction to SEC filings in and of itself is not considered a responsive answer to the above questions.

3. Please list any possible, known or potential conflicts of interests the Respondent may have with the SBA or vendors servicing the Investment Plan or the MyFRS Financial Guidance Program.

C. Summary of Proposed Services

Generally describe the Respondent's approach and plans for accomplishing the work outlined in Section II, Scope of Services. The description should be provided in sufficient detail to permit the evaluation of proposals fairly without the possibility of misinterpretation. The Respondent should indicate any additional tasks that are necessary and/or advisable that it recommends.

A summary of the Respondent's plan to work with the SBA staff and Investment Plan/MyFRS Financial Guidance Program vendors should be provided as well. Respondents should provide a detailed description of the information and assistance the Respondent would require from SBA staff and Investment Plan/MyFRS Financial Guidance Program vendors in the provision of the services required to satisfy Section II, Scope of Services.

D. Fee Proposal

All qualified Respondents submitting a Notification of Intent to Respond shall provide complete fee estimates as part of their final proposal responses.

Please understand that the issuance of this ITN is the beginning of a negotiation process. Alternate means of accomplishing the requirements specified herein, with reasonable assurance of satisfactory results, will be considered and may be accepted, at the SBA's sole discretion, without further addendum to the ITN. The contract that shall serve as the agreement between the parties will be developed through the negotiation process. The SBA may enter into negotiations with the Respondent in order to achieve the most effective plan for FRS members. The SBA reserves the right to negotiate concurrently or separately with competing Respondents. The SBA reserves the right to accept portions of a competing Respondent's response and use such portions to form an overall program in the best interests of FRS members.

Further, the SBA shall have the right to use any or all ideas or adaptations of the ideas presented in any response received pursuant to this ITN. Selection or rejection of a response will not affect this right. The SBA reserves the right to reject any and all responses or portions thereof. The SBA reserves the right to withdraw this ITN or a portion of this ITN without selecting a contractor.

E. Fiscal Report

The Respondent shall provide a copy of the Respondent's most recent annual fiscal report, containing audited financial statements.

F. Questionnaire Response

The Respondent must answer all the questions posed in Section VII, Questionnaire. The answers must be organized in the same sequence as the questions are presented. Each question must be replicated in no less than **Bold** 10 point font and precede each response.

G. Conflicts of Interest

The Respondent must disclose within its proposal whether any officer, director, employee, or agent is also a current or former employee of the SBA. All Respondents must further disclose any factors, financial or otherwise, known to them which may give rise to a conflict of interest between the Respondent and the SBA and its employees, or have the effect of impacting the ability of the Respondent to meet its responsibilities, duties, and obligations to the SBA, as set forth in this ITN. Disclose any relationships your organization has with any vendors to the Investment Plan. Address any anticipated fees or other remuneration to be paid by such vendors resulting from the relationship, if any.

H. General Survey Information

The Respondent must complete the applicable sections of the survey. Where information is not available or not tracked as required by the survey the Respondent should so indicate.

I. Service Requirements Affirmation Statement

The response shall include a signed copy of the Service Requirements Affirmation Statement attached as Appendix I.

Section VI – Proposal Requirements

The purpose of this section is to indicate the terms and conditions that will govern the submission and review of proposals made in response to the ITN.

A. Instructions for Completion

Respondents shall:

1. Prepare their proposals according to the requested format as set forth herein;
2. Respond directly to each question posed and provide each disclosure required herein; and,
3. Provide such relevant attachments as appropriate.

B. Submission Instructions

To be considered a complete response, each Respondent must follow the following procedure:

1. Notification of Intent to Respond:

Please send a letter (to be received either by fax, email, or hard copy) by 5:00 PM ET on February 11, 2019 addressed to:

RUTHIE BIANCO
DC Specialist
Office of Defined Contribution Programs
State Board of Administration of Florida
1801 Hermitage Boulevard, Suite 100
Tallahassee, FL 32308
ruthie.bianco@sbafla.com
(850) 413-1494 (office)
(850) 413-1489 (fax)

In this letter, please provide the following information:

An affirmative (but non-binding) statement of your firm's intent to respond, the name of the responding firm, and a contact to whom any revisions, notifications, and any further information about this ITN can be directed.

Any responses received without a Notification of Intent to respond may be judged as non-responsive at the sole discretion of the SBA.

2. Proposal Submission:

All proposals are due for submission by: March 4, 2019 at 5:00 PM ET.

Please submit and deliver all documentation as required and necessary for a complete response to this ITN to the SBA contact listed below:

Please clearly mark envelope:

"FRS Investment Plan Financial Education Services"

RUTHIE BIANCO
DC Specialist
Office of Defined Contribution Programs
State Board of Administration of Florida
1801 Hermitage Blvd, Suite 100
Tallahassee, FL 32308

The following should be included in your response:

	Number of Copies	Required
1. Cover Letter (See Section V.A.)	8	Yes
2. General Information (See Section V.B.)	8	Yes
3. Summary of Proposed Services (See Section V.C.)	8	Yes
4. Fee Proposal (See Section V.D.)	8	Yes
5. Fiscal Report (See Section V.E.)	8	Yes
6. Questionnaire Response (See Section V.F.)	8	Yes
7. Conflicts of Interest (See Section V.G.)	8	Yes
8. General Survey Information (See Section V.H.)	8	Yes
9. Additional Attached Materials	8	Optional
10. Trade Secret Information (See Section VI.F.)	8	If necessary
11. USB Flash Drive of the entire submission	3	Yes

Please provide the indicated number of hard copies of each section (in order) in your proposal. Provide three flash drives (electronic copies) with your submission to the SBA. (Note: Information legitimately marked as “trade secret” can be excluded from electronic copies.)

It is each Respondent's responsibility to deliver its response to the exact location specified above by the time indicated. Respondents should be certain to allow for sufficient email and mail-delivery time to ensure timely receipt of their proposals. Receipt after the time and date specified above or at another location may result in disqualification at the SBA's sole discretion. Incomplete responses may be eliminated from further consideration, in the SBA's sole discretion. The SBA accepts no responsibility whatsoever for failure to deliver or late delivery by email services or postal or commercial courier services. **Failure by the email services or postal or commercial courier services to meet the response deadline may result in disqualification.**

C. Cost Liability

The SBA shall not be liable or responsible for any costs incurred by any Respondents in preparing and submitting any response to this ITN, attending any oral interview, or for any other activities or occurrences related to this ITN prior to the issuance of a contract. The SBA shall pay all costs incurred by the selected Respondent after the issuance of the contract in accordance with the applicable compensation schedule as agreed upon by the SBA and the successful Respondent. The SBA will not pay expenses and costs incurred outside the scope of the applicable compensation schedule.

D. Additional Information

Questions regarding this ITN or requests for additional information should be directed in written form and sent via email to:

ruthie.bianco@sbafla.com

Interested firms should not contact any employee, officer, or Trustee of the SBA concerning this ITN after the date of issuance of the ITN (except as required during the normal course of preexisting business relationships). All correspondence, inquiries, and communications regarding the ITN (aside from clarification questions and requests for additional information – see above) should be directed to **RUTHIE BIANCO**. Questions will be taken through February 11, 2019. Copies of all questions and answers will be provided to all Respondents via a posting on the SBA website. No inquiries should be directed to any other entity or party regarding this ITN.

The SBA does not guarantee the validity or reliability of information obtained from other sources. If it becomes necessary to revise any part of this ITN, an addendum will be provided to all Respondents that received the initial form of the ITN and the addendum will be posted on the SBA website (www.sbafla.com), under “Doing Business with the SBA.” The Respondent is responsible for checking the website for any addenda or updates.

The SBA reserves the right to accept or reject any or all requests for additional information, either in whole or in part, and may require requests to be clarified or supplemented through additional written submissions. Respondents will be notified of the rejection of their request for additional information.

E. Respondent's Responsibility

Each Respondent should familiarize itself with the service specifications and the work to be performed before submitting a response. All proposals are to remain valid for at least 180 days from the date of submission.

F. Disclosure of Proposal Contents

All materials submitted by Respondents shall become the property of the SBA and will not be returned. Proposals submitted may be reviewed and evaluated by any person designated by the SBA, in its sole discretion. Pursuant to Chapter 119, Florida Statutes, the Florida Public Records Law, Proposals submitted in response to this ITN are public records and must be made available for inspection in accordance with the provisions of Chapter 119. If information is provided which could reasonably be ruled a "trade secret" as defined in Section 812.081, Florida Statutes, **please mark each page (as appropriate and necessary) as such and include in a separate attachment clearly marked - "Trade Secret Information – FRS Investment Plan Financial Education Services ITN Response."** Please include a table of contents within this attachment with a detailed listing of and explanation for EACH item marked as a "trade secret." Designation of items as "trade secrets" by Respondents is not dispositive and does not guarantee that the items will not ultimately be disclosed pursuant to Chapter 119, Florida Statutes. Florida is renowned for putting a high priority on the public's right of access to governmental meetings and records. Please operate in a similar spirit and do not include any materials, which could not be reasonably judged as "trade secrets". By submitting a response, each Respondent further understands and agrees that the SBA shall have the right to use any and all information, records, documentation, or items, including any derivation or adaptation thereof or knowledge gained thereby, presented by any Respondent in any response, during any oral interview, or otherwise in connection with this ITN in negotiating and entering into any services contract or for any purpose. The SBA shall have such rights regardless of whether the SBA enters into a services contract with such Respondent or any Respondent under this ITN, successfully negotiates any services contract with any Respondent, rejects any or all responses to this ITN, amends or withdraws this ITN at any time, or otherwise satisfies its needs through alternative means.

G. Economy of Presentation

To be considered for selection, Respondents must submit a complete response to this ITN. Proposals should be prepared simply and economically, providing a straightforward, concise description of the Respondent's capabilities and approach in meeting the requirements set forth in this ITN. The emphasis should be on each proposal's completeness and clarity of content.

H. Rejection of Proposals

The SBA will be the sole judge of the Respondent's responsiveness to the ITN and reserves the right to reject, in whole or in part, any or all responses, with or without cause, without incurring any liability whatsoever. The SBA may also waive any material or immaterial defect in a response or deviation from the requirements of this ITN. Any waiver exercised under this section will not modify any provision of this ITN.

I. Contract Execution

After selection, the SBA may enter into contract negotiations with the selected Respondent to finalize terms, fees and conditions. This ITN and the selected Respondent's proposal, or any part thereof, may be included in and made a part of the final contract. The resulting contract and all attachments shall be a public document.

If, in the sole opinion of the SBA, an acceptable contract with the selected Respondent cannot be reached, the SBA reserves the right to disqualify such Respondent and to negotiate with the next preferred Respondent, or to take any other actions (Including no action), in its sole discretion, as contemplated by this ITN.

J. Contract Term

The SBA proposes to hire a financial education vendor for a period of 5 years with a possible extension of 2 years for a total of 7 years. The contract will be effective July 1, 2020.

K. Collusion

By responding, the Respondent represents that the proposal is not made in connection with any competing Respondent submitting a separate response to the ITN and is in all respects fair and without collusion or fraud. It is further represented that the Respondent did not directly or indirectly induce any firm to submit a false or sham proposal or to refrain from proposing. In addition, the Respondent represents that it did not participate in the ITN development process, had no knowledge of the specific contents of the ITN prior to its issuance, and that no employee of the SBA participated directly or indirectly in the Respondent's proposal preparation.

L. Quiet Period

The Respondent and its agents, officers, principals and employees will not engage in any written or verbal communication during the "selection period" (defined below) between the Respondent or any individual assisting the Respondent to be selected and the Executive Director & CIO of the SBA, the Evaluation Team, any SBA employee, whether or not such individual or employee is assisting in the selection of the Respondent, or any member of the Board of Trustees or their respective staffs, consultants or managers, regarding the merits of the Respondent or regarding whether the SBA should retain or select the Respondent. An exception is given for the Procurement Manager and designated members of the Evaluation Team and Negotiation Team. Any unauthorized contact may disqualify the Respondent from further consideration. Normal business communications are allowed, however, for current SBA service providers who are also ITN respondents.

The Respondent will not engage in any lobbying efforts or other attempts to influence the SBA, the Executive Director & CIO of the SBA, the Evaluation Team, or any other SBA employees, or any member of the Board of Trustees or their respective staffs, consultants or managers, in an effort to be selected. Any and all such efforts made by the Respondent or its agents, officers, principals, employees, or lobbyist will be disclosed to the Executive Director & CIO of the SBA within five calendar days of its becoming known.

The "selection period" for this ITN begins on February 4, 2019 (Date Issued) and will continue until the final selection has been announced or the selection process is otherwise concluded.

Nothing herein shall preclude the SBA from seeking clarification about the substance of the response to the ITN within the time frame as provided herein. Nothing herein shall preclude a Respondent from seeking a request for clarification as provided herein.

M. Respondent Guarantees

All terms and conditions submitted in response to the ITN (all parts) must be guaranteed to remain effective and may not be changed, amended, modified, qualified, or otherwise altered by the selected Respondent(s) for a period beginning on the date of the response filing deadline for this ITN and ending at the conclusion of the term of the services contract. All range of fees and charges, as proffered in response to this ITN must be guaranteed for the term of the services contract.

N. Oral Interview

Respondents that submit a response to this ITN may be required to conduct an oral interview with the SBA with respect to their responses. Should oral interviews be entertained for any such Respondent, each selected Respondent will be given an opportunity to clarify or elaborate on its response. The SBA will determine the occurrence, date, time, and location of such presentation(s), if needed.

O. Right to Amend and/or Withdraw

The SBA, in its sole discretion, reserves the right to amend or withdraw this ITN at any time and for any reason. Issuance of this ITN in no way constitutes a commitment by or obligation of the SBA to enter into an agreement with

any Respondent ultimately selected, and the SBA may, in its sole discretion, reject all responses to this ITN for any reason whatsoever.

Q. False or Misleading Statements

Any response which contains false or misleading statements, or which provides references which do not support an attribute, condition, or capability claimed in the response, will not be considered by the SBA, if, in the opinion of the SBA, such false or misleading statement was intended to mislead the SBA in its evaluation of such response.

R. Further Instructions and Conditions

1. All responses to this ITN must conform to these instructions. Failure to conform may be considered appropriate cause for rejection of the response in the SBA's sole discretion.
2. Terms and conditions of ITN – Submission of a proposal indicates the Respondent's acceptance of the conditions contained in this ITN, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the SBA and the firm selected.
3. Conformance with statutes – Any contract awarded as a result of this ITN must be in full conformance with statutory requirements of the State of Florida and the U.S. Government.
4. Timing and sequence – The timing and sequence of events resulting from this ITN will be determined solely by the SBA, and may be modified by the SBA in its sole discretion.
5. Oral agreements - Any alleged oral agreement or arrangement made by a Respondent with any agency or employee shall be superseded by the written contract between the SBA and such a Respondent.
6. Amending or canceling requests - The SBA reserves the right to amend or cancel this ITN, prior to the due date and time, at its sole discretion.
7. Rejection for default or misrepresentation - The SBA reserves the right to reject the proposal of any Respondent that is in default of any prior contract, for misrepresentation or otherwise, as may be determined by the SBA (or its designate), in its sole discretion.
8. SBA's clerical errors in awards - The SBA reserves the right to correct, in its sole discretion, inaccurate awards resulting from its clerical errors.
9. Rejection of qualified proposals - Proposals are subject to rejection in whole or in part if they limit or modify any of the terms and conditions and/or specifications of the ITN.
10. Respondent's presentation of supporting evidence - A Respondent, if requested, must be prepared to present evidence of experience, ability, service facilities, and financial standing necessary to satisfactorily meet the requirements set forth or implied in its proposal.
11. Respondent's changes to proposal - No additions or changes to a Respondent's original proposal shall be allowed after submittal, except where corrections of errors or omissions may serve the best interests of the FRS and the SBA. Clarification at the request of the SBA may be required at the Respondent's expense. The SBA may permit any Respondent to modify its response after the deadline if the SBA determines that such modification is in the best interest of the SBA.
12. SBA's corrections and changes – Any corrections or changes to this ITN will be issued by the SBA, will be identified as a correction or change, and will be posted on the SBA website. Corrections or changes made in any other manner will not be binding. It is the responsibility of the Respondent to obtain all corrections and changes.

13. Right to award, reject or waive – The SBA reserves the right, in its sole discretion, to award in part, to reject any and all proposals in whole or in part, to waive technical defects, irregularities and omissions if, in its judgment, the best interests of the FRS and the SBA will be served.
14. Dispute Resolution and Venue - The Agreement will not include binding arbitration provisions, such as those typically found in Alternative Dispute Resolution Procedures, and any action or proceeding to resolve any disputes will be brought and conducted in a state court located in Leon County, Florida.
15. Response Content and Format - In determining the capabilities of a Respondent to perform the services specified herein, the information required in this ITN must be provided by the Respondent and will be weighed by the Evaluation Team as indicated in the evaluation process. **(Note: Each requirement must be thoroughly addressed. Taking exception to any requirement listed in the ITN may disqualify the Respondent and its response, in the SBA's sole discretion.)**
16. Respondent's Credentials - The SBA may make such investigations, as deemed necessary in its sole discretion, to determine the ability of the Respondent to perform the services contemplated by this ITN. The SBA reserves the right to reject any response if the evidence submitted by, or the investigation of, the Respondent fails to satisfy the SBA that the Respondent is properly qualified to carry out the obligations of the Agreement.
17. Third Party Assurances or Certifications – The Respondent should describe any third party assurances or certifications it has obtained as an organization such as SSAE18, SOC reports, ISO certifications, etc. Also, on a staff level, provide any industry-wide standards, certifications, or qualifications that would demonstrate the Respondent's expertise, experience and capabilities to provide the requested services.

Section VII - Questionnaire

The Respondent must answer all the questions posed in this section. The answers must be organized in the same sequence as the questions are presented. Each question must be replicated in no less than **Bold** 10 point font and precede each response.

A. General Questions

1. Please provide the name(s), title(s), address(es), e-mail address, and telephone and fax number(s) of the individual(s) responsible for responding to these questions.
2. Provide a brief overview of your company and history of your organization including an organizational chart of your retirement plan operations. Please describe any parent/subsidiary/affiliate relationships. Include information on the geographical locations of your personal financial counselors.
3. Discuss any recently announced or upcoming changes to ownership or leadership structure, including any pending agreements to merge or sell the company or its parent.
4. Provide the following organizational details about your firm and detail the ownership structure of the firm in the chart below:

Ownership Details and Structure	RESPONSE
Form of organization (corporation, partnership, LLC, etc.)	
Ownership % of each principal (list names)	
Ownership % by minorities (list names)	
Ownership % by women (list names)	

5. Does your firm, its parent/subsidiaries/affiliates or your financial education practice have any economic interest in the sale or marketing of investment products, including but not limited to mutual funds, annuities, and insurance?
6. Describe any commissions, referral fees, incentives or other forms of compensation or rebates that may be provided to individuals or units in your firm in return for their recommending or suggesting the purchase of any financial products or services. Disclose any marketing or other arrangements with other firms.
7. In any of your relationships with plan sponsors, do you ever:
 - Distribute any promotional materials to plan employees for products or services not contracted for by the plan sponsor?
 - Actively solicit employees before, during, or after seminars or workshops you conduct?
 - Actively solicit employees after they retire?
8. Has your financial education practice been the subject of litigation or claims in the last three years? If so, for each instance, describe the nature of the suit or claim, including its resolution or its current status.
9. Describe any additional potentially adverse issues or concerns regarding your firm or its personnel that we should be aware of in considering your firm as an education vendor for the FRS.
10. Describe the fiduciary responsibility you are willing to undertake for each service provided.

11. Briefly describe your firm's background and experience in providing financial planning communication and education programs. Indicate how many years your company has been active in the defined contribution education business, i.e., 401(k), profit sharing, etc. Indicate how many years your company has been active in defined benefit education. (Indicate the period of time for each service, if different, such as educational seminars for X years.) Provide a representative client list.
12. Describe the qualifications of your leadership team and any significant recent changes in the leadership of your education practice.
13. Describe the financial strength and stability of your firm.
14. How large is your education line of business revenue relative to your other lines of business. Provide the following breakdown of operating income for your most recently completed fiscal year.

Percentage of your Organization's Last Fiscal Year Total Operating Income from All Types of DC Plan Clients by Services Rendered (Year Ended June 2012)						
Service Rendered	401(a)	401(k)	403(b)	457	Other	Total
Education Only						
Advice Only						
Education And Advice Only						
Education and/or Advice plus Administration Only						
Managed Account Programs						
Education and/or Advice plus Administration and Investment Services						
Administration and/or Investment Services Only						
Total						

15. Describe your firm's philosophy and mission statement. Include your general philosophy on employee financial education.
16. Please describe what distinguishes your financial education services from the services provided by your competitors. Why should we select you?
17. List a contact name and telephone number for five of your current or recent clients who will serve as references.
18. Complete the table below which deals with organizations that you have served in the past but have terminated your services. Also, indicate the rationale provided by these clients for service termination.

	Calendar Year 2016	Calendar Year 2017	Calendar Year 2018
Total Number of Clients (group by type of service)			
Number of Clients Terminating Service (group by type of service)			
Number of Eligible Participants for Largest Client Terminating Service (indicate services terminated)			

19. What is your average client relationship duration?
20. Describe the plan sponsor service model you propose to implement for the SBA?
21. Describe your fee structure generally, indicating the various types of pricing structures you would be willing to work under. Specific fee proposals are requested in Section V. D.
22. What are your projections for the growth of your financial education practice over the next five years? What investments are you planning on making in these lines of business?
23. Provide a copy of your firm's Form ADV, Uniform Application for Investment Adviser Registration.
24. What types of academic accomplishment, experience and training is required for your new employees before they are assigned to conduct educational seminars/workshops for DC plan participants? Same question with respect to employees providing telephone education support.
25. In the past year, how long has it taken you to fill such positions? What has been your turnover rate in such positions for the calendar years 2016, 2017, and 2018? Describe your staffing challenges and solutions for these positions.
26. How many of your employees currently provide education services for defined contribution plans? Provide a breakdown by functional area.
27. Are you a provider of any type of investment, administrative and/or educational service, or affiliated with such a provider, for any of the following plans in Florida: the State University System Optional Retirement Program; the Community College Optional Retirement Program; the Senior Management Service Optional Annuity Plan; or any of the voluntary tax deferred savings plans sponsored by any participating employers of the State or its agencies, local governments, cities, or special districts (these include 403(b), 457, 401(k), or any similar plans)? If so, please identify which plans, your scope of responsibilities and the duration of the relationship.
28. Describe any presence your organization currently has in Florida. Do you intend to expand or create a presence in Florida should your firm be selected to provide the requested services? For the purposes of this question, include any business operations of your organization, any affiliates or subsidiary organizations, or any organizations with which you are partnering to provide the requested services.

29. Describe your insurance coverage for errors and omissions. Describe the various types of coverage and indemnification provided to protect clients, including:
- a. Risks covered
 - b. Carriers
 - c. Levels
 - d. Limits
 - e. Deductibles

B. Descriptive Information on Your Education Services

1. Describe all of your currently provided employee financial education services. Your description should encompass, but should not necessarily be limited to, the following:
 - Types of employee benefit plans which you incorporate in your education program;
 - Methods of instruction (in person, through an 800 number, or other technology);
 - Description of each education product or service offered;
 - Examples of financial education-related products;
 - Descriptions of any electronic education tools you provide, both software-based and web-based; and
 - Innovations that you envision in your service and product offerings within the next two years.
2. Describe separately your typical communication and education program (including printed material, visits, training, etc.). If your services are tailored to a specific plan sponsor's needs, identify the critical determinations to be made in designing such a program. Provide samples of your communication and education materials, if applicable. Provide access to your online system, if applicable.
3. Do you create all of your communication and education material in-house or are some/all provided through third parties? Explain.
4. Describe the process(es) you use to help plan sponsors measure the effectiveness of employee education efforts.
5. How do you evaluate your success?
6. Describe your typical contributions toward newsletters or other periodic employee communications that a sponsor may make available.
7. Explain how your company complies with the Americans with Disabilities Act when delivering educational materials and services to disabled members.
8. Describe what information you provide to employees, and in what format, in order to help them make an election between a DC plan and a DB plan. Have you ever provided employees with advice on choosing between alternative retirement plans? Provide examples of your materials, if possible.
9. Describe your education tools or programs designed to support IRA rollovers and/or retirement distributions.
10. Are you willing to provide service performance guarantees? If so, please describe. What percent of your total DC education revenue is subject to a service guarantee provision?
11. Describe your current capacity to serve your largest client. Indicate how this capacity translates into service levels to plan members. This should cover, as applicable, telephone support, on-line support, and on-site support.

12. What do you see as the major challenges in providing support to the FRS employee base?
13. Do you provide face-to-face employee counseling? Is the cost typically charged directly to the employee? Are there typically limits to the frequency with which an employee may receive face-to-face counseling? Describe.
14. Do you provide face-to-face employee counseling via an online video service like Skype?
15. Do you provide educational multimedia software for clients? Is it accessible from the Internet? Did you create this software or hire a third party to develop it? Do you have licensing rights? If not, please state the nature of your contract with the software developer.
16. Do you provide written financial plans available through employee consultation or other means? Please describe. Please provide a sample financial plan and indicate the reading level of the personal plan. What is the typical turnaround time from request to issuance?
17. Will your firm be willing to contact (by e-mail, phone or mail) individuals who are deviating greatly from the accepted standards of retirement planning (e.g., too conservative/aggressive an asset allocation; too frequent movement of assets)?
18. Does your firm currently provide any managed account services for DC plan participants? Describe.
19. Does your firm generally respond to participants by phone, in writing, by email, by online chat, or all of the above?
20. If you offer call center services:
 - What operating hours are typical and would you be willing to expand your operating hours if awarded the contract?
 - How long does your average caller have to wait before a financial consultant answers?
 - How long do you expect the average telephone conversation to last?
 - May a member leave a message to receive a return call if he/she is calling during off-hours?
 - What is the current maximum response time if a message is left?
 - Is the caller able to obtain the identity of the financial consultant (i.e., will they be able to seek out specific individuals on future calls)?
 - How many call center personnel do you believe will be necessary to handle the workload from our program? Same question for workshop personnel.
 - How do you monitor and evaluate how well your personnel respond to member questions?
 - How are calls and caller questions allocated to your call center personnel? Are there specialists who field particular types of questions?
 - How is investment advice implemented?
 - Describe your experience with GuidedChoice, as the investment advice provider, or other third-party advice vendors.
21. Do you record your telephone conversations with plan participants? Are the recorded calls available to the SBA for review? Describe this process and how specific calls can be retrieved by the SBA.
22. Suppose, during their initial choice period, new employees wait until the last minute to use your services. How would you handle the unexpected workload?
23. Do you survey the plan members who use your services? Are you willing to make the survey results available to the SBA?
24. How do you measure the success of your programs in meeting clients' objectives? What changes have you made, or are you making, to your services or products in response to program evaluations?

25. What methods of customer service quality controls do you utilize? Do you monitor telephone conversations? Are your personnel aware that they are being monitored? Will the callers be aware that they are being monitored? Do you allow plan sponsors to monitor telephone conversations?
26. How do you ensure that members receive consistent and accurate information from each of your call center employees? From each of your workshop/seminar employees?
27. Have your education services ever received an award for excellence or high accomplishment? Please describe the awarded program, including but not limited to its objectives, the employee base, the specific deliverables and deployment strategy, the reaction of affected employees and how you measured the program's effectiveness.
28. Describe the transition process and provide a sample implementation timeline for SBA's MyFRS program, including the information required from the SBA and the other program providers.
29. Describe your services that would be aimed at the MyFRS program retirees or near retirees, if different from that described above.
30. Please indicate those areas in which you believe your firm possesses a financial education core competency.
 - Telephone financial counseling including comprehensive financial planning
 - One-on-one in person financial counseling
 - Financial education workshops/seminars
 - Educational video or audio recordings
 - Other related area(s): _____

C. Risk Management and Data Protection

1. Provide a clear statement outlining either your organization's unqualified ability to meet all areas outlined in the scope of services related to Risk Management and Data Protection or a detailed articulation of qualifications, if any.
2. Describe your firm's ethics policy and how ethical behavior is encouraged throughout the firm. If applicable, please provide us with a copy of your firm's ethics policy.
3. Provide any internal ethics code compliance review process and how your compliance system is tested. Describe any processes used to identify and evaluate risk controls with potential exposures and to guard against unauthorized access to sensitive participant and financial data along with how the system is maintained, monitored and evaluated.
4. Describe your company's processes and protocols for dealing with cyber threats and how data is secured within the system, including standard and advanced authentication procedures (i.e., PIN, audit trail, confirmations).
5. Please provide any security audits and/or intrusion tests along with any findings. If you are not able to provide this information, provide an explanation of why this cannot be provided and a summary of the testing and outcome of findings.

6. Does your firm have an enterprise security policy?
7. Has your firm achieved any data protection standards or certifications (e.g. NIST RMF, ISO/IEC 27001, COBIT, COSO, ITIL)? If so, please describe.
8. Can your service organization provide its most recent Service Organization Control (SOC) 1 and/or 2 Reports, related to design and effectiveness of financial reporting controls? If so, please forward.
9. Does your organization have a Cyber Security Insurance policy in place? If so, provide a copy of the policy. If not, do you anticipate obtaining insurance in the future?
10. How do you assess employees' security awareness/knowledge? Describe your internal security awareness program.
11. Describe your disaster recovery plan. How often do you test your recovery system?
12. Describe your maintenance and backup procedures including daily backups, retention timetable and off-site backup storage approach. Where are your off-site backup facilities located?
13. How do you protect customer data in transit and at rest?
14. Are your systems subjected to penetration testing? Is testing performed by internal personnel or outsourced? When was the last penetration test? What were the results?
15. Does your organization scan and/or test for vulnerabilities in your service/application, and if so, how quickly are any identified vulnerabilities remediated? Please provide as much detail in your answer as possible.
16. Do you use a third party to perform security assessments of your information systems?
17. Do you have dedicated internal teams for simulating malicious attacks and fixing security holes?
18. Do you perform security assessments of your suppliers, contractors and business partners?
19. What training does your development and testing teams receive specific to application security?
20. Does your organization follow current threat trends? How?
21. Do you have a breach notification plan?
22. In the last five years, have you experienced unauthorized access or distribution of participant and financial data due to a breach of your firm's information systems? If so, please briefly describe each, including remediation efforts.
23. Is there a formal procedure for reporting a suspected security violation?
24. Who are the key day-to-day and executive contacts in case of a cybersecurity issue?
25. How and when will you notify customers of any suspected security breaches?
26. Are you knowledgeable of State of Florida data security breach notification requirements set forth in Section 501.171, Florida Statutes, if an issue occurs?
27. Describe your incident response plans and capabilities. Are there any services that you would provide members who may be impacted by the data breach, at no charge to the member or the SBA?

D. Fees and Services

All respondents must complete the Fee Proposals table. The fee proposed should take into consideration all requirements described in this ITN, Section II Scope of Services. Any deviations, reductions, enhancements, or changes to the services outlined in the ITN must be fully disclosed and described in detail.

The respondent should assume a five-year contract period, with the option of a full one-year or a full two-year extension. Fees would be negotiated at the time of contract extension.

Indicate the basis for the fee proposal, any minimum/maximum fee, and breakdown the fee in each category if possible, e.g., postage vs. design and development, materials, etc. Consider volume breakpoints in your fee structure and provide alternative pricing structures for the services being quoted, which would assist SBA in managing its costs. Fees presented should be all-inclusive fees. To the extent that a service or component is not included in the base fee schedule, it must be identified separately.

I. TELEPHONE COUNSELING

Respondents must propose a per-member annual dollar fee, which must be proposed as a total fee for all members (as described in the chart below). Total per-member fees proposed should be applied uniformly across all member accounts based on the total member count as of each period end. The fees quoted may be provided on an increasing (or decreasing) schedule in which the fee increases (or decreases) in later years of the contract based on the respondent’s expectations of the cost of providing services during the contract period. If the fees will vary by year, a separate table should be prepared for each contract year and appropriately labeled. If such a fee schedule is proposed, the respondent must be specific and provide all details necessary for the Investment Plan to fully evaluate the costs and benefits of such a schedule. Out of pocket expenses are not to be included in the per participant fee. Provide a list of anticipated out of pocket expenses which you expect to be reimbursed and provide an estimated per participant cost.

Assuming Call Center Hours 9:00 AM – 8:00 PM ET Monday – Friday

Number of Calls	Total Per Member Fee	Per Minute Phone Charges (excluding non-answered hang-ups, time waiting for answer (ACW) and time on hold)
<224,999		
225,000 – 299,999		
300,000 – 374,999		
375,000 – 449,999		
450,000 – 524,999		
525,000<		

Number of Calls	Total Flat Fee*
No minimum/maximum	

Assuming Call Center Hours 9:00 AM – 7:00 PM ET Monday – Friday

Number of Calls	Total Per Member Fee	Per Minute Phone Charges (excluding non-answered hang-ups, time waiting for answer (ACW) and time on hold)
<224,999		
225,000 – 299,999		
300,000 – 374,999		
375,000 – 449,999		
450,000 – 524,999		
525,000<		

Number of Calls	Total Flat Fee*
No minimum/maximum	

Assuming Call Center Hours 8:00 AM – 6:00 PM ET Monday – Friday

Number of Calls	Total Per Member Fee	Per Minute Phone Charges (excluding non-answered hang-ups, time waiting for answer (ACW) and time on hold)
<224,999		
225,000 – 299,999		
300,000 – 374,999		
375,000 – 449,999		
450,000 – 524,999		
525,000<		

Number of Calls	Total Flat Fee*
No minimum/maximum	

*Fee includes all telephone calls, chat services, research and follow-up time associated with all calls, on-going financial planner training, quality control, database and technology maintenance, and brief outbound calls to retirement coordinators.

II. EMPLOYEE WORKSHOP LOGISTICS AND DELIVERY

Service Provided	Total Cost
Provide approximately 500 employee workshops annually at requested locations	
Provide 16 employee workshops annually via webcast	

III. EMPLOYER EDUCATIONAL SEMINAR LOGISTICS AND DELIVERY

Service Provided	Total Cost
Provide approximately 30 employer seminars annually at requested locations	
Provide annual webcast logistics for 4 employer workshops conducted by the SBA and DOR	

IV. EMPLOYEE ONE-ON-ONE FACE-TO-FACE COUNSELING

Service Provided	Hourly Cost
Provide FRS members face-to-face financial and retirement planning services (hourly rate) (assume 5 one-hour sessions delivered after workshop presentations)	
Provide FRS members face-to-face financial and retirement planning services (hourly rate) via an online video service like Skype (assume 500 one-hour sessions delivered annually)	

V. ADDITIONAL/DELETED SERVICES

Provide additional fee information for any ongoing services for which you expect to be compensated in addition to the fees provided in the schedule above. A fee for information technology enhancements should be separately provided. The fee should be based on a “not to exceed” hourly rate.

VI. IMPLEMENTATION COSTS

Using the format below, identify one-time, implementation costs that are not covered in the fees proposed above but that you expect to incur. The respondent must provide an itemized breakdown of the various activities to which these implementation costs are attributable. Categories for these activities may include custom programming, record setup, setup of interfaces with the Investment Plan, the custodian, the Division of Retirement, web site and others.

One-Time Implementation Costs	Fee	Comments
Call center set-up		
Workshop set-up		
Plan documentation		
Other charges: list separately and provide details		

Once you have detailed the implementation costs, describe how you propose to amortize and be reimbursed for these costs. If the contract is terminated prior to the end of the initial five-year contract period for any reason, other than for cause, indicate any amounts that, at the end of each year, will remain unpaid and specify the contract

termination terms you would require. The amount of these implementation costs should be expressed in a flat dollar amount.

	Amount, if applicable	Itemized Breakdown By Activity
Total amount of implementation costs		
Amount remaining at end of contract year one		
Amount remaining at end of contract year two		
Amount remaining at end of contract year three		
Amount remaining at end of contract year four		

E. General Survey Information

Please answer the following survey information regarding the services you provide:

1. Telephone Financial Counseling

Total clients for which you provide this service

Total number of ongoing clients (i.e., distinct entities)	
Total dollar value of plan assets for these clients	
Total number of participants eligible to receive telephone counseling for these clients	

Largest client (based on number of participants eligible for service)

Largest number of eligible participants from any single client	
Dollar value of plan assets for this client	
Average dollar value of participant account for this client	

Call center

Annual call volume	
Peak daily call volume	
Number of currently employed fully-dedicated call center representatives	

2. One-On-One In Person Financial Counseling

Number of qualified currently employed counselors available for one-on-one financial counseling _____

3. Financial Education Workshops

Total clients for which you provide this service

Total number of clients (i.e., distinct entities)	
Total number of workshops presented in calendar year 2018	

Largest client

Greatest number of workshops presented in calendar year 2018 for a single client	
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Staffing

Number of currently employed fully-dedicated workshop presenters	
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Which subjects do you cover in your presentations? (select all that apply)

Retirement planning (yes/no)		Income tax planning (yes/no)	
Cash flow planning (yes/no)		Estate planning (yes/no)	
Insurance adequacy (yes/no)		Investments (yes/no)	
Annuities (yes/no)			

Appendix I: Service Requirements - Affirmation Statement

By inclusion and execution of the statement provided herein, each Respondent shall certify that:

- ❑ The selection of the Respondent will not result in any actual, potential, or perceived conflict of interest with the SBA. Alternately, should any potential or existing conflict be known by the Respondent, the response shall specify the party with which the conflict exists or might arise, the nature of the conflict and whether the Respondent would step aside or resign from that engagement creating the conflict.
- ❑ The response is made without prior understanding, agreement, or connection with any corporation, other Respondent, or person submitting a response for the same services, and is in all respects fair and without collusion or fraud.
- ❑ The selection of the Respondent will not violate Section 215.684, Florida Statutes, which prohibits the State from selecting certain providers that have been convicted of or entered a plea of nolo contendere to fraud within a period of two years of such conviction.
- ❑ The Respondent and the agents, officers, principals, and professional employees thereof have not and will not participate in any communication prohibited in this ITN.
- ❑ The Respondent's responses to the ITN are those of the Respondent and have not been copied or obtained from any other Respondent responding to any other ITN or competitive proposal whether in Florida or elsewhere either in the past or present.
- ❑ The Respondent meets the Minimum Qualifications set forth in Section I, subsection E. of the ITN.

The Respondent hereby agrees to abide by all conditions of this ITN for Financial Education Services for the Florida Retirement System, and I hereby certify that all information provided in this response is true and correct, that I am authorized to sign this response for the Respondent and that the Respondent is in compliance with all requirements of this ITN, including but not limited to, requirements in this Appendix I.

Authorized Signature (Manual)

Name and Title (Typed)

Date (Typed)