REQUEST FOR PROPOSALS
FOR
CONSULTING SERVICES
2013-021 Revised 10/2/2013

FROM

THE DEFERRED COMPENSATION BOARD
OF
THE 457(b) DEFERRED COMPENSATION PLAN
FOR EMPLOYEES OF NASSAU HEALTH CARE CORPORATION

THIS REQUEST FOR PROPOSALS (RFP) INCLUDES THE FOLLOWING:

SECTION I   INTRODUCTION
SECTION II   SCOPE OF WORK
SECTION III  RFP TIMETABLE, GENERAL PROVISIONS & PROCEDURES; PROPOSAL REQUIREMENTS

AUTHORIZED PLAN CONTACT

THE PLAN’S AUTHORIZED CONTACT PERSON FOR ALL QUESTIONS OR OTHER MATTERS CONCERNING THIS RFP IS:

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TITLE:      Secretary to the Deferred Compensation Plan Board
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SECTION I.

INTRODUCTION

The Board of the Deferred Compensation Plan for Employees of Nassau Health Care Corporation (“DCP Board”) intends to contract for the provision of plan consulting services detailed in Section II, “Scope of Work”. Work is projected to commence under the contract awarded pursuant to this procurement in January, 2014. The expected length of the contract will be through February 28, 2017 with up to four one year renewals at the option of the DCP Board. This Request for Proposals (RFP) describes the required services, proposal format and proposal time frames.

Nassau Health Care Corporation’s (“NHCC”) IRC Section 457 Deferred Compensation Plan (“DCP” or “the Plan”) was established in 2001. Participation in the Plan is available to all Nassau Health Care Corporation employees. VALIC Retirement Services Company is the Plan’s current Administrative Services Agent (ASA) and performs the Plan’s record keeping and participant enrollment and education functions, among other responsibilities. Participants currently may invest in an array of 20 investment products on a platform administered by the ASA. The current Trustee is AIG Federal Savings Bank. INVESCO Institutional (N.A.) Inc. is the investment manager for the Stable Value Fund offered under the plan. All other investment choices are publicly traded funds. According to the ASA, as of December 2012, Plan assets were approximately $166,000,000. The employee participation rate has been approximately 45%. As of December 2012, NHCC’s employee headcount was slightly in excess of 3400, and the Plan had slightly more than 2,400 participants.

Additional Plan information can be provided upon request.

The DCP Board has adopted and must follow the New York State Deferred Compensation Board’s Model Plan, and the State Board’s regulations. The State regulations can be found at www.nysdep.com (Click on “Plan Guidelines”, then click on “For Employer” then choose “Rules and Regulations”).

SECTION II.

SCOPE OF WORK

The DCP Board intends that the selected consultant will perform the following services:

1. Provide independent investment analysis and performance reviews of all Plan investment options on at least a quarterly basis. Recommend changes in investment line-up as appropriate.

2. Attend quarterly meetings of DCP Board (generally held at the Medical Center) and evaluate quarterly reports of service providers and investment performance analyses. It is anticipated that there will be three quarterly meetings each in 2014, 2015 and 2016, and one early in 2017, for a total of twelve quarterly meetings. (Attendance at one or two
additional meetings per year should be anticipated.)

3. Provide periodic (no less frequently than annual) cost and revenue-sharing analysis of plan operations under the agreement with the ASA.

4. Monitor the performance of the service provider and its compliance with the existing agreement between the DCP Board and the provider.

5. Provide and execute a due diligence process for monitoring services.

6. Provide updates on industry and market trends.

7. For a separate fee, the DCP Board will have the option of utilizing the selected consultant to conduct a search for, and evaluation and selection of a replacement of the Plan’s administrative service provider, and investment manager, one time during the life of the agreement. The fee for this task shall be quoted separately, with the understanding that the DCP Board will not be under any obligation to use consultant’s services for this task.

SECTION III.

RFP TIMETABLE, GENERAL PROVISIONS & PROCEDURES; PROPOSAL REQUIREMENTS

A. RFP TIMETABLE

   Release date of this RFP September 25, 2013
   A pre-proposal conference will not be held.
   Questions about the RFP must be received no later than: October 7, 2013
   Proposal Submission Deadline 4:00 PM EDT October 25, 2013

B. GENERAL PROVISIONS

1. Status of Information - The DCP Board shall not be bound by any oral or written information released prior to the issuance of this Request for Proposals (“RFP”). Any materials and documents developed during the engagement will become the property of the DCP. Moreover, in submitting a proposal, the successful vendor agrees that the DCP Board has access to and the right to examine directly all pertinent documents, papers and records of the contractor and/or any subcontractor as related to any contract and/or sub-contract resulting from this RFP until six years after final payment has been made pursuant to any contract awarded as a result of the DCP Board’s acceptance of the vendor’s proposal. The DCP Board has the exclusive ownership and unlimited rights to use, disclose, or duplicate for any purpose whatsoever, all information, data, designs, work products, and materials developed by the vendor under contract.

2. Proposer Inquiries/Addenda. All inquiries regarding this RFP must be addressed to the Authorized Plan Contact listed, on page 1. The DCP Board will issue responses to inquiries
and any other corrections or amendments it deems necessary in written addenda issued, prior to the Proposed Submission Deadline. Proposers should not rely on any representations, statements or explanations other than those made in this RFP or in a formal addendum. It is the proposer’s responsibility to ensure receipt of all addenda.

3. **Communication with Nassau Health Care Corporation and its Deferred Compensation Plan Board** - From the date this RFP is issued, until the award of the contract, No contact with DCP Board members or other NHCC personnel related to this RFP is permitted except as may be authorized by the Designated Authorized Plan Contact.

4. **Non-responsive/non-responsible Proposals** - Proposals that do not meet the minimum requirements of this RFP will be found non-responsive and will not be considered further. Notification of non-responsiveness will be provided in writing to the proposer. The DCP Board reserves the right to refuse to do business with any proposer it finds to be non-responsive.

5. **Withdrawal of Proposals** - The submission of a written proposal, including fee proposals, will constitute a binding offer to perform said services. Such binding offer will remain in effect for 90 days after the Proposal Submission Deadline and may be extended by written mutual consent. The proposal shall be signed by an official authorized to bind the proposer, and shall contain a statement to the effect that the proposal is a firm offer for a ninety (90) day (or longer) period.

6. **Late Proposals** - Proposals received after the Proposed Submission Deadline are late and will not be considered unless the proposer presents extenuating, exceptional circumstances acceptable to the DCP Board. Proposers are responsible for ensuring that their proposals are received in a timely fashion.

7. **Costs Incurred By Proposers** - The DCP Board shall not be liable for any costs incurred by proposers in the preparation, submission or presentation, of proposals or for any work performed prior to the commencement date of an executed contract.

8. **Oral Presentations and Interviews** - The DCP Board may require proposers to give on site presentations in support of their proposals.

9. **RFP Postponement/Cancellation** - The DCP Board reserves the right to postpone or cancel this RFP and to reject all proposals.

10. **Confidential/Proprietary Information** - Proposers should specifically identify those portions of the proposal deemed to be confidential, proprietary information or trade secrets and provide any justification why the NHCC should not disclose such material upon request. Such confidentiality/proprietary information must be easily separable from the non-confidential section of the proposal. The successful vendor agrees to observe the confidentiality provisions and prohibitions against disclosure of all applicable federal and NYS laws and regulations relating to the confidentiality of records and information gathered, obtained, reviewed, or developed in the performance of the resulting agreement; and further
agrees to require each of its employees, partners, and agents assigned to the performance of this agreement to observe said provisions. The provider must comply with the requirements of the Civil Rights Act of 1964 and 18 NYCRR Part 357 for safeguarding confidential information, the prohibition against disclosure of confidential information and the civil and criminal consequences of non-compliance.

11. **Proposal Errors/Omissions** - The DCP Board will not be responsible for errors or omissions made in Proposer’s proposal. The DCP Board will withhold proposals submitted under this RFP from disclosure, unless otherwise required by law. Vendors should indicate any information they feel is to be exempted from disclosure under the New York Freedom of Information Law (“FOIL”). In the event that the DCP Board determines that such information is required by applicable law to be disclosed, the DCP Board will notify the vendor in advance of such disclosure to enable the vendor to take such action, as it deems appropriate. Copies of executed contracts are not exempt from FOIL.

12. **Contract Award** - Any proposed award will be subject to all required approvals. If no agreement is reached with a proposer within a period of time considered reasonable by the DCP Board, the DCP Board may terminate negotiations and select another proposer, issue a new RFP, or take any other action consistent with the Plan’s best interests. No proposer shall have any rights against the Plan, the DCP Board, or the NHCC arising from such negotiations. By issuing this RFP the DCP Board is not obligated to award a contract. The contract between the DCP, acting through the DCP Board, and the successful proposer shall contain provisions based on the specific requirements of this RFP, the successful proposer’s proposal, and general provisions governing all NHCC contracts. No elected or appointed member, agent or employee of the DCP Board and/or Nassau Health Care Corporation shall benefit financially or materially from any contract resulting from this procurement. The DCP Board may terminate any contract resulting from this procurement if gratuities were offered or given by the contractor or his agent to any member, agent or employee of the DCP Board and/or the NHCC.

**C. PROPOSAL EVALUATION PROCEDURES**

**Evaluation Criteria** - The following criteria will be used to evaluate the proposers. No single criterion will be determinative.

1. Expertise and qualification of the proposer, as evidenced by its relevant experience and background, including number of employees, financial advisers, years in business, and areas of specialty.

2. Relevant experience with deferred compensation plans, especially plans of comparable size and nature in New York State.

3. The experience, background, and credentials of the professional team designated for and committed to this engagement, and the technical and support resources of the proposing organization, including data processing capabilities and staff support.
4. Fee Proposal. Fees will be considered along with the determination of technical merit. The Board intends to award the contract to the proposing organization whose proposal is determined to be most advantageous to the NHCC and its DCP participants taking into account both technical merit and price. The DCP Board may award the contract to other than the proposer presenting the lowest fees.

D. PROPOSAL SUBMISSION REQUIREMENTS

The DCP Board may award a contract on the basis of proposals received, without discussions with proposers. Therefore, each proposal should contain the proposer’s best terms from a technical and fee standpoint.

One original of the proposal (marked “Original,” and bearing all required original signatures) and five copies shall be delivered to the Authorized Plan Contact (see page 1 of this RFP) by no later than the date and time noted on page 2. Hand-carried proposals may be delivered only between the hours of 9:00 AM and 5:00 PM, Monday through Fridays, excluding federal holidays.

In lieu of delivering the five paper copies, proposers may include five CD-ROM discs containing the proposal and any attachments, or may email a copy (not the original) of the proposal to: ysantana@numc.edu for distribution. Submissions must be provided in Microsoft ® Word and/or EXCEL © documents. Email delivery is done at the proposer’s risk; neither the DCP Board nor NHCC is responsible for any delivery failures.

Technical proposals may contain a maximum of 15 pages of text with a font size no smaller than 12 points. Proposals submitted of a greater length or using a smaller font size will be judged non-responsive. Appendices and Exhibits consisting of charts, graphs, etc., may provide an additional ten pages.

The DCP Board is not precluded from requesting additional information and/or clarification, and/or additional documentation in support of any assertion made by any proposer. By submission of a proposal, the proposer agrees to provide such in a reasonably timely manner. In certain circumstances, the DCP Board may be unable to make a determination of the responsiveness of a proposal in the absence of such information. A proposal cannot be evaluated for technical merit unless it is determined to be responsive.

E. PROPOSAL PACKAGE REQUIREMENTS: (Transmittal letter; technical & fee proposals)

1. Proposal transmittal letter

A transmittal letter, on the proposer’s business stationery, shall accompany each proposal. This letter must be signed by an individual authorized to bind the proposer to all statements, including services and fees, contained in the proposal.

a. Proposer Minimum Qualifications. The transmittal letter must document that the
following minimum qualification requirements are met by the proposing organization. The letter must also state the proposing organization’s agreement to provide the Board with any additional supportive material the Board requires to verify that the proposing organization meets the stated minimum qualification requirements, which are as follows:

1. The proposer must demonstrate its ability to serve as an Independent Consultant to the Board in accordance with Part 9000.2(6) of the Rules & Regulations of the New York State Deferred Compensation Board.

2. The proposer must be an entity that has, or all the principals thereof must have, at least three years experience in the provision of investment consulting services for deferred compensation comparable to the investment consulting services being procured herein. The proposer must submit at least three references from I.R.C. § 401(k), 403(b) or 457 plans of a size similar to or larger than that of NHCC.

b. The transmittal letter must also contain the following information:

1. The proposing organization’s legal status, date and place of organization and/or incorporation, headquarters, and whether the proposing organization is a parent or subsidiary in a group of companies, and if so, a description of the relationship between the constituent entities,

2. The name, title, address, telephone number, email address, and facsimile number of the person authorized to discuss the proposal with the DCP Board,

3. Confirmation that the proposal being submitted by the proposing organization is in conformity with the specifications contained in the RFP, except for any alternatives offered for the Board’s consideration,

4. The level of coverage for errors and omissions insurance and any other fiduciary or professional liability insurance your firm carries. Name carriers providing such insurance,

5. Whether, during the past five years, the proposing organization, or any director, officer, member or principal has been involved in any litigation relating to consulting activities. If so, please describe and provide current status,

6. Disclosure of principal information as indicated below by the type of ownership (If any entity is tiered, list all individual principals of the tiered entity.)
   • Sole proprietorship/individual. The name and home address.
   • Closely held corporation. Names and home addresses of all shareholders, officers, and directors.
• Publicly traded corporation. SEC Form 10-K listing of officers and directors.

• Partnership. Names and home addresses of all general and limited partners.

• Limited liability company/partnerships. Names and home addresses of all members.

• Joint venture. Names and home addresses of all participants in the joint venture.

7. Certification that:

• The fees in this proposal have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matters relating to such fees with any other vendor or competitor;

• Unless otherwise required by law, the fees quoted in the proposal have not been knowingly disclosed by the proposer, directly or indirectly, to any other proposer or to any competitor; and

• No attempt has been made or will be made by the proposer to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition,

8. A statement that the proposing organization shall conduct all activities related to any contract that may be awarded in conformity with all applicable NHCC policies, New York State and/or federal laws, statutes, rules and/or regulations, and that the proposal meets all requirements of the Rules & Regulations of the New York State Deferred Compensation Board.

2. Technical proposal

a. Firm Description/Personnel Technical Proposals should outline the capabilities of the firm to provide the services listed in Section II (“Scope of Work”). The technical proposal must describe the firm’s specialties, strengths and limitations, if any.

Proposals should include a description of the overall nature of the professional services provided by your firm, an organization chart, the names, titles, functions, academic credentials, relevant experience and other qualifications of the persons in your organization who would be assigned to this project.

Provide a brief history of your firm’s involvement in the consulting business, including years
of operation, any anticipated changes in ownership, location(s), and representative client list, particularly in the public and not-for-profit sector. Identify those with whom you have general consulting relationships, and those for whom you conducted single projects or studies.

Describe any services provided to investment management organizations. Describe any business relationships your firm has now or has had within the past five years with firms providing investment management or administrative services to defined contribution or defined benefit plans. Provide the names of the firms and individuals, dates and nature of the business relationships. Describe how you would eliminate any potential conflicts of interest if you were chosen to provide the consulting services requested by this RFP.

Explain what distinguishes your organization from other consultants.

b. Consulting Capabilities. The Technical Proposal must include the proposed approach to, and a timetable, where applicable, for completion of the scope of work included in this RFP, and any other information that the proposer deems relevant to a response to this RFP. A proposer should submit its Technical Proposal in a format responsive to and consistent with the Section II Scope of Work and the evaluation criteria set forth in Section III C of this RFP.

Proposers may submit charts, graphs, and other illustrative exhibits as part of their proposals provided that they are clearly marked with respect to the portion of the Technical Proposal in support of which they are provided. Proposers shall not submit promotional material, brochures, etc., without clearly linking such material to a specific part of their proposal.

3. Fee proposal

The Fee Proposal is a presentation of the proposer’s fees (direct fees, indirect fees and charges), including both an annual fee for providing the requested services listed in Section II (“Scope of Work”), and an hourly fee for all services to be provided. The Fee Proposal should include an annual fee assuming four meetings at the Nassau University Medical Center, and any additional per meeting fee (if any) if more than four meetings will be held in a year. The Fee Proposal should also include a separate fee for performing work as set forth in Section II.7.

a. Each response should provide sufficient detail with regard to the various components of the fee so that comparison of proposals is possible, including a total annual fee together with an explanation of the estimated hours and hourly billing rates for staff used to determine that annual fee.

b. The Selection Committee reserves the right to negotiate fees.

c. The proposer must guarantee that fees paid to the successful proposer by the DCP Board for services under the resulting contact will not exceed those paid by any other customer for which the successful proposer performs similar services.