

# ACTION ITEM

Board of Governors Meeting, March 25, 2020

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| <b>CONTRACT ID</b>     | <b>Retirement Plan Financial Advisor – ITN No: 19-0019</b><br><b>Vendors: Primary Vendor: SageView Advisory Group, LLC</b><br><b>Contingent Vendor: AndCo Consulting, LLC</b>   |
| <b>BUDGETED ITEM</b>   | Fees are paid from plan participant accounts.   |
| <b>CONTRACT AMOUNT</b> | Not to exceed \$470,000 over a seven-year term, including renewals, as follows: <ul style="list-style-type: none"><li>• \$225,000 in Base Fees for a Five-Year Initial Term (\$45,000 annually);</li><li>• \$90,000 in Base Fees for an optional Two-Year Renewal Term (\$45,000 annually);</li><li>• \$15,000 for optional professional services, such as assistance with the re-procurement of Plan Administrator Services (the current plan administration contract with MassMutual is anticipated to expire in June 2023); and</li><li>• \$140,000 for optional participant education services, if Citizens elects to use the vendor to provide “financial wellness” education services to its employees and plan participants (\$20,000 annually).</li></ul>   |
| <b>PURPOSE/SCOPE</b>   | This Action Item seeks Board approval to allow staff to execute a primary and a contingent contract for retirement plan financial advisory services. The services to be performed include: <ul style="list-style-type: none"><li>• Assisting the Citizens Retirement Plan Committee in achieving an optimal mix of investment choices for the Citizens 401(a), 457(b) and 401(k) retirement plans, based on investment performance, investment risk and management fees;</li><li>• Providing detailed quarterly reports on investment options, with scoring of such factors as risk/return, investment styles, peer group rankings and other qualitative measurements;</li><li>• Personally attending quarterly retirement plan meetings with Citizens staff in Jacksonville, Florida to provide market analysis, review reports, and recommendations;</li><li>• Providing advice on whether plan participants have access to adequate education, communication, services, and asset allocation counseling needed to make informed decisions;</li><li>• Assisting Citizens to ensure the plans are administered according to applicable laws, regulations, and stated policies;</li><li>• Assisting Citizens with the implementation of sound fiduciary processes;</li><li>• Providing annual plan design benchmarking vs. industry “best practices”; and</li><li>• If requested, providing additional related services, such as Plan Administrator RFP assistance and employee/participant education services.</li></ul> |

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| <b>CONTRACT TERM</b>      | For the Primary Vendor, the contract will commence on July 1, 2020 and continue for an initial term of five (5) years and may be renewed for an additional two-year term.<br>For the Contingent Vendor, the contract will commence only if the Primary Vendor contract cannot be finalized or has an early termination. The expiration date and renewal term would be the same as for the Primary Vendor contract.   |
| <b>PROCUREMENT METHOD</b> | On November 18, 2019, Citizens issued Invitation to Negotiate (“ITN”) No. 19-0019 for Retirement Plan Financial Advisor services. Responses were received from ten (10) firms. Five (5) of those firms were advanced to the negotiations phase. On March 10, 2020, following negotiations and receipt of Best and Final Offers, the Citizens Negotiation Team recommended an award to SageView Advisory Group, LLC as the primary vendor, and to AndCo Consulting, LLC as a contingent vendor.                               |
| <b>RECOMMENDATION</b>     | The Citizens Retirement Plan Committee recommends that the Board:<br><ul style="list-style-type: none"><li>a) Approve the recommendation of contracts to (i) SageView Advisory Group, LLC as the primary vendor for Retirement Plan Financial Advisor services, and (ii) AndCo Consulting, LLC as the contingent vendor, as set forth in this Action Item; and</li><li>b) Authorize the Citizens Retirement Plan Committee and staff to take any appropriate or necessary action consistent with this Action Item.</li></ul> |
| <b>CONTACTS</b>           | Violet Bloom, Chair of the Citizens Retirement Plan Committee  |