

**Columbus Consolidated Government
Council Meeting Agenda Item**

TO:	Mayor and Councilors
AGENDA SUBJECT:	457 Deferred Compensation Plan – Recordkeeping, Administration, and Participant Education (Annual Contract) – RFP No. 21-0029
INITIATED BY:	Finance Department

It is requested that Council authorize the execution of an annual contract with AIG Retirement Services dba VALIC Retirement Services Company (Houston, TX) for recordkeeping, administration and participant education services for the City’s Section 457 Deferred Compensation Plan.

AIG Retirement Services dba VALIC Retirement Services will assist the City in achieving the following objectives:

1. Lower participant and plan expenses.
2. An orderly and timely expansion.
3. Access to group seminars and individual meetings on investment and retirement planning topics.
4. Establishment of a non-City plan administrator to handle related activities.
5. Integrated administration and reporting for the 457 Plan.
6. Provide annual participant benefit statement for all retirement sources (social security, CCG Pension, and 457).

Three legacy providers (Nationwide, Empower and Mass Mutual) provide investment options and recordkeeping services for those accounts that were created by employees prior to the 2016 Plan Restatement where the employee chose not to transfer his or her account to VALIC. The service provider’s local and home offices provide enrollment, communication/education, and recordkeeping services for the plan.

The term of the contract will be for two years with the option to renew for three additional twelve-month periods. Contract renewal will be contingent upon the mutual agreement of the City and the Contractor.

Annual Contract History:

The previous 5-year contract was awarded to VALIC on October 27, 2015, per Resolution No. 305-15.

RFP Advertisement and Receipt of Proposals:

RFP specifications were posted on the web page of the Purchasing Division, the Georgia Procurement Registry and DemandStar on March 24, 2021. This RFP has been advertised, opened, and evaluated. Six proposals were received on May 7, 2021, from the following:

AIG Retirement Services dba VALIC Retirement Services Company (Houston, TX)
 Empower Retirement, LLC (Overland Park, KS)
 ICMA Retirement Corporation (Washington, DC)
 Lincoln Financial Group (Fort Wayne, IN)
 National Life Group (Addison, TX)
 Voya Financial (Braintree, MA)

The following events took place after receipt of the proposals.

RFP MEETINGS/EVENTS		
Description	Date	Agenda/Action
Pre-Evaluation Meeting	05/24/21	The Purchasing Manager advised evaluation committee members of the RFP rules and process, and the using department representative provided an overview. Proposals were emailed to each committee member to review.
1 st Evaluation Meeting	07/07/21	The Evaluation Committee discussed each proposal and determined clarifications were required from the six firms.
Clarification Requested	07/07/21	Clarification was requested from the six firms.
Clarification Received	07/21/21	The clarification responses were received and forwarded to the committee; which, after review, did not require further clarification.
Evaluation Forms Sent	08/05/21	Evaluation forms were forwarded to the voting committee members.
Evaluation Forms Returned	08/16/21	The last set of evaluation forms were returned to the Purchasing Division.
Evaluation Results	08/18/21	The evaluation results were forwarded to the committee. The voting committee members unanimously recommended award to AIG Retirement Services dba VALIC Retirement Services Company.

Evaluation Committee:

The proposals were reviewed by voting members of the Evaluation Committee, which consisted of a representative from the Human Resources Department, a representative from the Information Technology Department, and a representative from the Finance Department.

A representative from Columbus Fire and EMS and a representative from Elections and Registration served as alternate voters.

An additional representative from the Human Resources Department and an additional representative from the Finance Department served as a non-voting advisor.

Award Recommendation:

Based on the final evaluation ballots results, the Committee unanimously recommends award to AIG Retirement Services dba VALIC Retirement Services Company.

Vendor Qualifications/Experience:

- AIG Retirement Services dba VALIC Retirement Services Company was founded in 1955 and has provided services to government 457 deferred compensation plans for 43 years.
- The firm has a district office in Atlanta, Georgia. The two service representatives assigned to the City both live in Columbus, GA.
- The firm has 2,831 employees exclusively dedicated to the servicing and administration of deferred compensation plans.
- The firm's key markets include governmental entities, elementary and secondary education institutions, higher education institutions, hospital, and healthcare organizations, and other non-profit organizations.
- AIG Retirement Services currently provides tax-qualified retirement plan services to more than 18,500 organizations representing approximately 1.9 million participants.
- The firm has continually provided government 457 Deferred Compensation Plans, similar in size to the City's plan, for at least four (4) entities, since 1996.

The City's Procurement Ordinance, Article 3-110, (Competitive Sealed Proposals (Negotiations)) governs the RFP Process. During the RFP process, there is no formal opening due to the possibility of negotiated components of the proposal. In the event City Council does not approve the recommended offeror, no proposal responses or any negotiated components are made public until after the award of the contract. Therefore, the evaluation results and cost information has been submitted to the City Manager in a separate memo for informational purposes.

City employees, at their discretion, contribute 100% for deferred compensation. There is no contribution from the City.

A RESOLUTION

NO. _____

A RESOLUTION AUTHORIZING THE EXECUTION OF AN ANNUAL CONTRACT WITH AIG RETIREMENT SERVICES DBA VALIC RETIREMENT SERVICES COMPANY (HOUSTON, TX) FOR RECORDKEEPING, ADMINISTRATION AND PARTICIPANT EDUCATION SERVICES FOR THE CITY’S SECTION 457 DEFERRED COMPENSATION PLAN.

WHEREAS, an RFP was administered (RFP No. 21-0029) and six proposals were received; and,

WHEREAS, the proposal submitted by AIG Retirement Services dba VALIC Retirement Services Company (Houston, TX) met all proposal requirements and was evaluated most responsive to the RFP; and,

WHEREAS, the contract period shall be for two years, with the option to renew for three additional twelve-month periods. Contract renewal is contingent upon the mutual agreement of the City and the Contractor.

NOW, THEREFORE, THE COUNCIL OF COLUMBUS, GEORGIA, HEREBY RESOLVES AS FOLLOWS:

That the City Manager is hereby authorized to execute an annual contract with AIG Retirement Services dba VALIC Retirement Services Company (Houston, TX) for recordkeeping, administration and participant education services for the City’s Section 457 Deferred Compensation Plan. City employees, at their discretion, contribute 100% for deferred compensation. There is no contribution from the City.

Introduced at a regular meeting of the Council of Columbus, Georgia, held the _____ day of _____, 2021 and adopted at said meeting by the affirmative vote of _____ members of said Council.

- Councilor Allen voting _____.
- Councilor Barnes voting _____.
- Councilor Crabb voting _____.
- Councilor Davis voting _____.
- Councilor Garrett voting _____.
- Councilor House voting _____.
- Councilor Huff voting _____.
- Councilor Thomas voting _____.
- Councilor Tucker voting _____.
- Councilor Woodson voting _____.

Sandra T. Davis, Clerk of Council

B.H. "Skip" Henderson III, Mayor