



Response to Request for Proposal

Defining and realizing the
financial goals of fiduciaries
and individuals.

PREPARED
FOR

The Central Texas Deferred Compensation Plan Financial Consultant for Deferred Compensation 457(b) Plan

RFP Number: 12RFP00009

May 16, 2012 – 2:00 p.m.

Securities offered through Financial Network Investment Corporation,
Member SIPC | Branch Office: 2010 Main Street, Suite 1220, Irvine,
California 92614 | 800.814.8742 | SageView Advisory Group and
Financial Network Investment Corporation are not affiliated
companies.



May 14, 2012

Williamson County Purchasing Department
Williamson County Inner Loop Annex
301 SE Inner Loop – Suite 106
Georgetown, TX 78626

Re: Financial Consultant for Deferred Compensation 457(b) Plan
RFP Number: 12RFP00009

SageView is an SEC Registered Investment Advisory (RIA) firm serving retirement plan sponsors throughout the United States since 1989. We advise 401(k), 403(b), 457, defined benefit, and deferred compensation plans that range in size from \$5 million to more than \$1 billion in plan assets. Our headquarters are in Irvine, California, and we maintain offices in Austin, Boston, Chicago, Houston, Kansas City, Knoxville, Los Angeles, Milwaukee, Minneapolis, Omaha, Richmond, San Francisco, Washington, D.C., and West Palm Beach. SageView is 100 percent employee-owned and has no parent or affiliated companies. You can visit our website at www.sageviewadvisory.com.

Our mission as a firm is to "define and realize the goals of fiduciaries and individuals." Operating in a fully transparent environment, SageView consults on all aspects of retirement plans, from design to success measurement.

Key SageView features:

- Client assets in excess of 15 billion
- Early proponent and practitioner of fully transparent relationships
- Fiduciary partners with clients (committed in writing)
- Focus on maintaining fees and expenses that are reasonable for services provided
- Objective investment research and advice based on proprietary processes
- Principals of the firm average more than 25 years of industry experience

SageView's team is comprised of 84 experienced industry professionals, including 22 lead consultants throughout the United States. SageView's team includes two attorneys, five Certified Public Accountants (CPA), two Certified Investment Management Analysts (CIMA), six CFA Charterholders, four actuaries, one Accredited Investment Fiduciary Analyst (AIFA), and 17 Accredited Investment Fiduciaries (AIF). Many of these designations have associations, such as the CFA charterholders and CPA, which require their members to adhere to a code of ethics. In addition, SageView has adopted a code of ethics that all employees are required to follow.

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The collective experience of our firm is second-to-none when compared to other consulting firms our size. SageView will assign a team of associates with the ability of leveraging our entire team so that the Committee benefits from the collective experience and knowledge of our entire company. All of our employees are solely focused on retirement plan and investment consulting.

SageView representatives are regularly asked to speak at industry conferences as experts in retirement plan consulting. SageView employees spoke at several industry conferences, including the American Society of Pension Professionals & Actuaries (ASPPA), Center for Due Diligence (CFDD), and University Conference Services (Health & Welfare Plan Management Conference and Retirement & Pension Plan Management Conference).

SageView works closely with the nation's top policy and legal experts, and we are frequently asked to participate on panels or write about technical, legal, investment, and education issues affecting retirement planning. SageView's employees are involved with ASPPA, the Center for Fiduciary Studies, and the CFA Institute and have provided expert witness testimony to the Department of Labor's ERISA Advisory Council.

In 2007, 2008, 2009, and 2010, SageView was nominated as one of the top five retirement plan advisory organizations by PlanSponsor magazine.

Additionally, SageView is among a small, select group of investment advisors to be awarded the CEFEX certification for Fiduciary Practices by the Centre for Fiduciary Excellence. Through CEFEX's independent assessment, the certification provides assurance to investors, both institutional and individual, that SageView has demonstrated adherence to the industry's best fiduciary practices. This indicates that SageView's interests are aligned with those of investors. More information about CEFEX can be obtained at www.cefex.org.

On behalf of SageView, we are pleased to submit this response for The Central Texas Deferred Compensation Plan. Please contact me or Michael Coelho with any questions.

Yours truly,

Sean G. King, JD, CPA, MAcc
sking@sageviewadvisory.com

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CERTIFIED STATEMENT
FINANCIAL CONSULTANT FOR DEFERRED COMPENSATION 457(b)
PLAN

RFP NUMBER: 12RFP00009

NAME OF PROPOSER: SageView Advisory Group, LLC

Mailing Address: 8331 E. Walker Springs Lane, Suite 301

City: Knoxville State: TN Zip: 37923

Email Address: sking@sageviewadvisory.com

Telephone: (865) 246-1775 Fax: (865) 293-4333

The undersigned, by his/her signature, represents that the individual, team or firm to work on this project meets the minimum requirements as it relates to qualifications, is licensed to perform the requested services, and is not disbarred, suspended or otherwise prohibited from professional practice by any federal, state or local agency.

Signature of Person Authorized to Sign Proposal

Sean G. King, JD, CPA, MAcc, Principal
Printed Name and Title of Signer

Date: May 14, 2012

NOTARIZED:

Sworn and subscribed before me by:

On _____, 2012

A. Firm Qualifications and Experience

2. Description of capabilities, experience and expertise. Provide a description as a whole in the following aspects of retirement plans:

i. Development, issuance and evaluation of an RFP for Third Party Administrator (TPA)/Record Keeper for retirement plans (e.g., RFP issuance, analysis of proposals, etcetera.)

SageView has developed a proprietary seven-step Vendor Comparative Analysis process, through which we assist plan sponsors in determining if their current vendor is the best fit for their needs. Our due diligence process focuses on the following four key areas:

- Plan investment options/flexibility
- Plan costs, both investment and hard dollar
- Plan recordkeeping/administration capabilities
- Employee education capabilities and deliverables

The key component of our analysis is the Request for Proposal (RFP), which will be sent to a core group of vendors who initially seem to be viable options for our clients. Our process guides clients from the initial phase of reviewing their plan and determining their specific needs, to the final stages of visiting the vendor site locations to better understand the people and cultures offered by a select group of vendors.

ii. Contract negotiations with successful vendors

SageView's cost assessment will provide the committee with a clear understanding of the plan costs and how they compare in the marketplace. It is important to understand, that in most cases, the fees paid by the participant is a decision made by the plan sponsor, not the vendor. Vendor's charge fees for administration and those fees can either be paid by the participant as part of the investment management fees of the funds or as a participant charge; or they can be paid by the plan sponsor, thus allowing the investment management fees of the funds to be reduced.

Once the plan's overall fees have been compared to the marketplace, SageView will negotiate on the plan's behalf with the current provider to ensure that the administration fees being charged are competitive to other vendors and also to the fees the same vendor charges other existing clients and how they are currently pricing new opportunities.

iii. Strategy development for successful transition/migration to new service providers

SageView will coordinate the transition to a new provider, working with human resources and the provider to ensure a seamless transition. This includes working with the provider to develop an education plan to ensure participants are informed of the change and the services the new provider offers.

SageView will develop with the plan provider a communication program that will provide participants with the necessary information to make the transition as seamless as possible.

Typically this will include initial mailings to all participants introducing them to the new provider, the website, customer service line and provider features that will help the participant to a successful retirement. This mailing will also include information about plan feature and the mapping strategy of assets to the new provider lineup.

Following the initial mailing, education meetings will be held, both in person and via webcast, if desired, to walk participants through the paperwork and answer any questions they might have.

iv. Continuing and periodic investment review services

Our analysis is comprised of both qualitative and quantitative components.

Our quantitative analysis focuses on a detailed comparison of an individual fund to its peer group. We feel it is crucial in determining the success of a fund, that all data is viewed in context to the other funds within a category. Various asset classes can perform differently at any given time; therefore we rank a fund's returns, rolling returns, Sharp Ratio, expense ratio, R-squared and other statistics to all other funds within a category. Our proprietary system combines these various rankings into an overall "fund score" which then allows us to place a fund appropriately within its peers. Qualitative analysis includes manager tenure, manager change, style drift, current economic environment, corporate scrutiny/public perception, individual and sector concentration, portfolio turnover, asset size and growth, cash flow, bond duration, firm structure, management team structure and firm ownership.

In selecting a manager we take into account our quantitative, proprietary scoring methodology and then couple that with our detailed qualitative understanding of the fund, the manager and the fund family. By doing so, we are able to select a fund that will meet the expectations of the plan's investment committee and the participants.

To reiterate our watch list management, each fund is given a quartile ranking in our proprietary evaluation process. Any fund that places in the 3rd or 4th quartile for two consecutive quarters

will be put on our watch list. In addition, funds may be put on the watch list at any time based on any one of the qualitative criteria listed below. The meeting minutes will note the fund has been put on the watch list and at the next meeting, the Committee will review the fund(s) closely again. Each subsequent quarter, the Committee will discuss the findings in order to make a determination on keeping or replacing a fund.

If a fund is not performing as expected, the Committee will determine to either replace or remove the fund from the plan. Many different factors go into this situation and each program is different, however, reviewing how many employees are invested in an option and whether there are other options in the same asset class are very important to consider. If an investment option is going to be replaced, SageView will provide the Committee with an analysis with some viable replacement options, whereby the Committee will make a decision as to the best replacement. In this situation all assets in the fund to be removed would be automatically mapped over to the new investment option as of a specific date. To stay in compliance with industry and legal standards, all employees of the plan will be given a minimum of 30 days notice before this transaction takes place explaining their alternatives.

Although many advisors recommend freezing investment options, we typically do not advise our clients to do this unless there is reasonable rationale for doing so.

SageView provides all of our clients with a comprehensive quarterly report.

Our reports are divided into the following sections:

- Market Commentary – Analysis of the overall economy and examination of various equity and fixed income markets.
- Investment Summary – Includes both historical returns and our proprietary fund ranking for each investment option.
- Portfolio Summary – Looks at the overall plan lineup as a whole, including rankings versus custom benchmarks and static benchmarks. Style analysis of the plan lineup utilizing both holdings analysis and returns-based analysis.
- Plan Asset Allocation – Detailed plan level statistics. Asset allocation by fund, portfolio compositions, plan demographics and provider usage statistics
- Fund Performance – Detailed analysis of each investment option.
- Appendix – Plan highlights and investment glossary.

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Sample Client

For period ending June 30, 2010

Ranking Vs. Peers - Intermediate Government

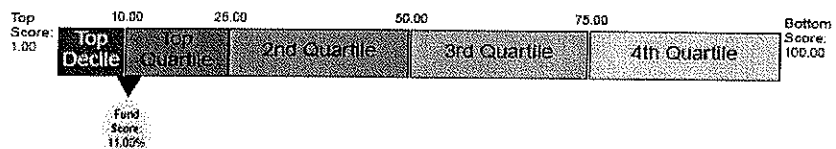
June 30, 2010

Intermediate Government Universe: 313 Funds

Ratio Statistics	Ranking
Sharpe Ratio - 80 Months	14.00%
Alpha - 80 Months	17.00%
Up Capture Ratio - 5 years	21.00%
Down Capture Ratio - 5 years	43.00%

Style Consistency	Ranking
Style Consistency to Benchmark	
Barclays Intermediate Government	R2 61.00%

SageView Normalized Ranking	
SageView Normalized Ranking	11.00%
STATUS	Top Quartile



The nonreliance of investors is being made as to the fair value, performance, and/or future or financial impact of this summary. This information is provided as an informational means and not a warranty as to the accuracy or content as received or expressed. The information above must be interpreted in the context of, and is qualified by, the information contained in the prospectus, which, upon completion, will be delivered to the appropriate investing parties prior to any other being made. Note: Sector Weighting and/or Credit Analysis data reflect most current information available. Securities offered through Financial Networks Investment Corporation, Member SIPC. Risks noted above are not of the same nature and degree as those of the example.

To expound, the outline below digs deeper into our process of analyzing investment managers for our clients' plans. While the process may appear linear on paper, it is actually quite flexible, and we don't always follow these steps in sequential order. Generally, the foundation of our process is SageView's proprietary quantitative scoring system, overlaid by deeper subjective and qualitative analysis.

STEP 1: Idea Generation

STEP 2: Initial Screen

Utilizing our internally-developed scoring system, we are able to rank all of the mutual funds in the Morningstar database and separate accounts that we track through other databases. Each manager is compared to its respective category peer group. Our internally-developed scoring system is based on nine metrics.

After each fund is ranked against its peer group in the previous categories, the rankings are weighted and then combined to achieve the SageView Score. Every fund in a category receives a score. It is then determined in which quartile a fund falls against its peers in that category.

The SageView Investment Committee determines the weightings for each category. The four total return numbers – one year, three year, five year and ten year – are weighted and combined into the Total Return Composite, with more emphasis being placed on the five year number.

We underweight the rolling 12-month return metric and put more emphasis on the rolling 36-month metric. We believe the 36-month time frames are a better measure of the investment manager's ability. Down capture ratio is over weighted and up capture ratio is underweighted. Down market returns have a greater impact on a fund's overall success than up market returns. Lastly, because expense ratio is indirectly included in many of the other categories, we underweight the expense ratio.

If we are considering a new manager in our search, we also look at the manager's historical score (quarterly) within our system. While we do not have hard and fast rules, a manager's ranking consistency within the SageView scoring system will be a factor for further consideration.

We use the quantitative screen and past performance as a guide to help us identify managers who are worthy of additional qualitative analysis.

STEP 3: Questionnaire

To maintain consistency in our evaluation process, we developed a manager questionnaire for each one of the major asset classes. At this point in our process, we ask our candidate firms to fill out our questionnaire, which gathers more detailed information about them.

STEP 4: Manager Interview

We then speak directly with the portfolio manager or analyst team that is in charge of managing the product. During the interview, we want to learn more details about how the

manager implements his strategy. We try to initiate stock-specific discussions to determine the consistency between how the manager describes his investment process and how it is implemented. A primary goal is determining the potential for a repeatable process that leads to consistency of performance.

STEP 5: Manager Site Visit

Because of the time constraints in reviewing and analyzing investment managers, this step is not a requirement for an investment manager to be included in our select of managers. Hopefully, by this point in our search, we have developed sufficient confidence and trust in the manager's capabilities through our previous contact with the manager and phone conversations. However, once a manager meets all of our criteria, we will make an effort to schedule an on-site meeting with them.

STEP 6: Committee Vote

A team of SageView analysts is responsible for researching the managers and reviewing questionnaires. During the committee discussion, the lead analyst on the fund will present his or her conclusions to the entire team.

STEP 7: Maintenance and Follow-Up Research

Like our manager selection process, our manager monitoring system is based on both quantitative metrics and qualitative criteria. The goal of this step is to identify early any potential problems a manager faces and implement a systemic decision-process to address our concerns and take appropriate action.

v. **Provision of other retirement plan consulting services your firm provides**

Plan Consulting (overall and design). We work with our clients and their counsel to ensure the desired goals of their retirement plan offerings are being met. Whether that means working with plan document design or understanding industry employer match trends, we strive to make sure all aspects of the plan are being addressed. As needed, SageView's non-qualified plan consulting and actuarial teams can be brought in to assist the Committee.

Compliance Consulting. For many of our clients, we work with the Investment Committee, HR staff, ERISA counsel and plan sponsors to ensure they are meeting the plan rules and regulations. Our services also include assisting plan sponsors in adhering to the ERISA 404(c) guidelines.

Investment Policy Statements (IPS) – establishment and monitoring. SageView will work with the Committee to review and modify your current IPS and ensure that the Committee and the Plan are following the appropriate guidelines. The IPS is an essential part of your Plan and

will be reviewed and monitored on an ongoing basis to be sure the correct processes are in place and are being followed.

Investment Selection and Monitoring. After establishing our investment criteria in the IPS, we will work with the Committee to select and monitor the appropriate plan investment options. Once the initial options are selected, SageView will continually monitor the investments from both a quantitative and qualitative basis. Each quarter, SageView will provide a comprehensive report to review with the Retirement Plan Committee. This includes investment option searches and recommended replacements or enhancements.

Fiduciary Oversight and Partnership. At SageView, we recognize and accept - in writing - the responsibility as a fiduciary that we share with our clients. The materials we provide, the procedures we help put in place, and our ongoing consultation will enable the plan fiduciaries to maintain compliance with the Uniform Fiduciary Standards of Care. The Employee Retirement Income Security Act (ERISA) was enacted to protect the participants and beneficiaries of retirement and welfare plans. Persons serving as fiduciaries of those plans must follow ERISA's standards to properly perform their duties and avoid liability. We are able to act in an ERISA 3(21) or ERISA 3(38) Discretionary Fiduciary capacity. SageView can also provide fiduciary training to the committee.

Employee Education and Communication Consulting. We feel employee education and communication is a key component of a successful plan. There remains a fiduciary duty to supervise participant education and address problem areas that need improvement. SageView has significant experience with these matters, and we provide communication consulting and design strategies for our clients on an ongoing basis. Since the purpose of the plan is to help employees save for retirement, it is essential that the correct message and information is made available to them. SageView will partner with you to consult and implement communications to better prepare your employees for retirement. SageView can also deliver with our team of professionals the education as desired by the Committee.

Plan Benchmarking. Through our network of resources, SageView will benchmark the plan to industry standards. We will compare the plan to ensure that our clients take into consideration how similar organizations are managing their plans. This information can be used to design a plan that acts as an effective recruitment and retention tool for employees. Plan design and fee benchmarking are part of our standard service deliverables.

Provider Management & Oversight. Through our team of experienced consultants, we have built strong relationships with over 50 of the companies providing recordkeeping and investment management. We harness this collective knowledge to act as an advocate for our clients. We do this by ensuring agreed-upon services are delivered professionally and troubleshooting issues should they arise.

- vi. Number of retirement plans your firm has provided services for and the asset size of those plans,

SageView provides services to over 320 clients. We have clients that range in size from \$1 million to over \$1 billion in assets. Our client's total assets are in excess of \$15 billion. Our current average plan size is \$45 million.

- vii. Any relevant experience you have assisting a Section 457 deferred compensation plan client with a Third Party Administrator (TPA)/Record Keeper vendor search. Describe a specific past example of a significant retirement plan for issuance under a Request for Proposals (RFP) with evaluation of proposals by your firm. Provide the planning process, timeline, evaluation process, approval process, transition process, and the resulting outcomes in relation to the expected planning.

University of Alabama System

SageView was hired by the University of Alabama System to conduct a vendor search with the goal of adding a second 403(b) and 457(b) vendor, to assist in developing the first Investment Policy Statement (IPS) for the plans as well as investment advisory services on an ongoing basis. In the past, the Benefits Committee relied upon the single vendor to their 403(b) and 457(b) program to provide periodic updates, but there was no IPS or formal monitoring process.

Alabama's situation was unique in that they offered only one vendor for their 403(b) supplemental plan, TIAA-CREF. A few of the campuses had grown frustrated with recordkeeping errors and wanted at least a second option for participants. In addition, as most universities offered at least three or four options, Alabama felt it would be advantageous for employee recruitment and retention purposes to offer a second vendor.

With input from the Committee, SageView developed a customized Request for Proposal which was released in early 2008. Because compliance duties are complicated by having more than a single vendor, we placed emphasis on the compliance/common remitter services within the RFP document. SageView collected the responses and submitted the results to the Committee, who chose four respondents to make finalist presentations onsite. Using score sheets provided by SageView, the Committee selected an additional vendor for their retirement program.

Working with both TIAA-CREF and Valic, SageView presented the Committee with a suggested fund lineup for both the existing platform and the new plan option. TIAA agreed to offer additional non-proprietary funds to Alabama participants, so we planned a comprehensive participant education program introducing both the new vendor as well as the new TIAA options.

A critical function of this engagement has been ensuring that each Benefits Committee member understands the investment review process, the terminology, methodology as well as the scope of any ongoing fiduciary requirements. In addition to drafting documents and providing consulting to the members of the Benefits Committee, we have assisted with presentations to the campus CFOs and Board of Trustees throughout the process, ensuring that all stakeholders are informed and fully support the program.

Texas Christian University

SageView was hired by Texas Christian University (TCU) to assist with their 403(b) and 457(b) plans. TCU had multiple vendors and several different plan documents. SageView first worked with TCU to help them establish a committee, including drafting a committee charter and fiduciary training. We recommended a vendor and plan consolidation. Although SageView typically recommends consolidation to a single vendor, TCU's situation was unique in that they have a relationship with the Pension Fund of the Christian Church. This allows participants to opt in to a 403(b) plan that is designed as a defined benefit plan – a design that is no longer available but is grandfathered.

Working with the committee, we developed an RFP which was released in 2011. We received the responses and presented the results. Finalists were chosen, and SageView facilitated presentations during the summer of 2011 at TCU. Because they would not be moving to a single provider, compliance oversight and common remitter capabilities were a key issue for TCU.

SageView negotiated the final contracts and developed the investment menus. We provided an Investment Policy Statement (IPS) for the plan. We then assisted them with developing communications to announce the new plan structure and new Roth options. TCU has held employee meetings and is preparing to move to the new plan structure with improved investment options and lower fees effective June 1, 2012.

3. **Firm's present and projected workload. Provide a description of your firm's present and projected workload, staffing and ability to provide prompt, sound and quality retirement plan consulting services.**

In addition to your assigned consultants, Michael Coelho and Brenda Tarjan, you will be assigned a dedicated member of our internal investment committee. You will also have the resources of the entire SageView team. The collective experience of our firm is second-to-none when compared to other consulting firms our size. SageView has the ability of leveraging our entire team so that the Central Texas Deferred Compensation Plan benefits from the collective experience and knowledge of our entire company. All of our employees are solely focused on retirement plan and investment consulting. SageView has grown our practice significantly over the past several years and plan to continue to add experienced professionals as needed to serve our clients.

4. **Individuals and Qualifications. Identify and include qualifications of specific individuals to be assigned to the project (include names, contact information, and specific services of the**

individuals who will provide services to the Committee. The Section 457 Deferred Compensation consultants shall have substantial retirement plan experience coupled with significant financial experience. To demonstrate substantial and significant experience, the Committee expects proposers to have a minimum of ten (10) to fifteen (15) years experience with the lead consultant assigned to this project to have a minimum of five (5) to seven (7) years experience.

- i. Provide the name, title, years of experience, office location, area of specialty (if applicable) of the consultant who will be designated as the "contact person" for the firm's proposal and who will be the consultant primarily responsible for ensuring the proper performance of the services to be rendered to the Committee,
- ii. Provide an individual resume, name, title, years of experience, office location, area of specialty (if applicable) and description of relevant experience and expertise of each consultant expected to perform services for the Committee. The firm shall provide written confirmation (on its letterhead) signed by an officer of the firm that the consultant identified in the proposal will be the staff who will provide the services required by the awarded Contract. Any substitution must have prior approval of the Committee. Any substitution without such prior approval shall be grounds for disqualification or termination of the Contract as applicable.

Primary Contact Person:
Michael Coelho, AIF
Managing Director



Michael Coelho serves as a Managing Director for SageView's Austin, Texas office. He is responsible for the delivery of quality retirement plan solutions to mid- and large-sized organizations and provides careful navigation for employers to maximize results and to mitigate their fiduciary liability. Michael assists plan sponsors and their participants in reaching their retirement goals, using SageView's proprietary analytical tools to deliver a first-class retirement program.

With more than 15 years in the retirement plan industry, Michael has served the needs of many generations of clients in the areas of Wealth Services and Corporate Benefits. Prior to joining SageView, Michael worked as Director of Retirement Services at a firm founded by his father in 1953.

Michael graduated from Baylor University and has attained the Accredited Investment Fiduciary (AIF) designation from the Center for Fiduciary Studies at the University of Pittsburgh. In 2011, he was named "Most Influential Advisor in the \$5-\$15 Million Plan Market" by 401k Wire. Michael's professional memberships/affiliations include: Founding Lecturer of The Retirement University (TRAU) at the UCLA Anderson School of Business; involvement with two ASPPA (American Society of Pension Professionals & Actuaries) committees, Membership and the Next Generation; Board Member of Whittier Christian High School; and Baja Christian Ministries. He is also a Registered Representative Investment Advisor of Financial Network Investment Corporation (FNIC).

Relationship Manager:
Brenda Tarjan



Brenda Tarjan serves as a Retirement Plan Relationship Manager at SageView's Irvine headquarters, working to deliver quality retirement planning services to our clients. Her primary focus includes providing 401(k) employee educational meetings in Spanish and English, facilitating plan conversion and implementation, ongoing participant customer service, plan management and retirement industry best practices. She has extensive experience with administration detail and plan operation.

Although Brenda has worked exclusively in the 401(k) industry for over 17 years, her craft has been honed through her working experience with Guardian Life Insurance Company, Automatic Data Processing (ADP), Fluor Daniel, and Bankers Trust.

A Southern California native, Brenda earned a Bachelor's Degree in Business Administration from Loyola Marymount University in Los Angeles, California. She minored in Spanish and can read, write, and speak the language fluently. Brenda offers world class service to all our clients and has the ability to connect with the Hispanic community and their retirement needs.

5. **Disciplinary action, administrative proceedings or malpractice claims.** Provide a description of any disciplinary action, administrative proceedings or malpractice claim or other like proceeding against the firm or any of its employees, whether current, pending, or threatened, as well as any such action, proceeding or claim occurring during the past five (5) years. Provide a description (including specific allegations, findings, determinations – both preliminary and final, and settlements) of any consulting services provided to a client of the firm in the last five (5) years that has been subject to including up to, but not limited to investigation, preliminary determination, adverse determination, formal information request or other official inquiry by the Internal Revenue Service, Securities and Exchange Commission, or any other official oversight agency.

There have been no disciplinary actions, administrative proceedings or malpractice claim against the firm or any of its employees.

6. **Sub-Contractors.** List any sub-contractors that may be used to accomplish this service.

There will be no sub-contractors that will be used to accomplish this service.

7. **Litigation.** Please list any past and/or pending litigation or disputes relating to the work described herein that your firm has been involved in within the last five (5) years. The list shall include each project name, the nature of the litigation and the current status or ultimate outcome of such litigation.

SageView's retirement plan consulting practice has never been the subject of any litigation. We do have a small, high-net-worth practice that is currently involved in litigation by a high-net-worth individual attorney who, following the market downturn, is asserting that his investments were unsuitable. SageView is challenging this allegation and is in the process of defending against the claim.

8. **Financial Information.** Provide an official letter from the proposer's financial institution detailing the financial status of the proposer. The letter shall include a contact name, address, phone number, and fax number. The failure to produce financial requirements may be grounds for dismissal of your offer. This is a non-negotiable item.

SageView Advisory Group is a privately-held, 100% employee-owned firm. As such we do not disclose our financial data. We have no debt. You are welcome to contact our CFO, Mark Hendrickson, at 949-955-3501 (1920 Main Street, Suite 800, Irvine, California 92614, Fax 949-955-1991) for additional information.

9. **Documentation of Licensing and/or Certifications.** Proposers shall include copies of relevant licensing and/or certifications as they related to the firm's meeting of the minimum requirements. If a firm is a registered investment advisor, provide its most recent Securities and Exchange Commission (SEC) Form ADV, Parts I and II, along with the "deficiency letter" related to its most recent SEC inspection.

Please see attached for the requested documents.

10. **Insurance and Insurance Certificates.** During the term of the Contract, the successful proposer shall provide and maintain the following insurance:
 - a. **Worker's Compensation** in accordance with statutory requirements.
 - b. **Professional Liability Errors and Omissions Insurance** in the amount of \$1.0 Million naming the Committee, Williamson County, the City of Round Rock and the City of Georgetown as additional insureds. The successful proposer shall not perform any services under the Contract until it has obtained all required insurance and such insurance has been approved by the Committee. The successful proposer shall not allow any subcontractor(s) to commence work to be performed in connection with the Contract until all required insurance has been obtained and approved. Approval of the insurance by the Committee shall not relieve or decrease the liability of the successful proposer hereunder.

The required insurance must be written by a company approved to do business in the State of Texas with a financial standing of at least an A- rating, as reflected in Best's insurance ratings or by a similar rating system recognized within the insurance industry at the time the policy is issued. The successful proposer shall furnish the Committee with a

certification of coverage issued by the insurer. The successful proposer shall not cause any insurance to be canceled nor permit any to lapse. ALL INSURANCE CERTIFICATES SHALL INCLUDE A CLAUSE TO THE EFFECT THAT THE POLICY SHALL NOT BE CANCELED OR REDUCED, RESTRICTED OR LIMITED UNTIL TEN (10) DAYS AFTER THE COMMITTEE HAS RECEIVED WRITTEN NOTICE AS EVIDENCED BY RETURN RECEIPT OF REGISTERED OR CERTIFIED LETTER.

B. Similar Projects

To demonstrate experience and success in conducting similar work, the proposer shall provide a minimum of five (5) references of similar size projects in similar climates with appropriate reference information, concentrating only on those projects completed by the proposer's firm, as follows:

1. Client name, address, phone, fax number and email address;
2. Description of all services provided;
3. Performance period; and,
4. Total annual amount of contract.

Client references should be provided for relationships with the primary staff proposed by the firm to serve the Committee in the response if this RFP. References will be contacted regarding proposer's conflict of interest and quality of services provided.

Heritage Medical Group
Kim Powell, HR Manager
43839 15th St W
Lancaster, CA 93534
Contact Info: 661-726-3906
klpowell@hdmg.net
Plan Assets: \$45,000,000
Contract: 14 basis points (0.14%)

Schultz Industries, dba Sturdi Steel
Janice Pelton, HR Manager
131 Ava Dr.
Hewitt, TX 76643
Contact Info: 254-666-5155
jpelton@sturdisteel.net
Plan Assets: \$3,100,000
Contract: 65 basis points (0.65%)

Pacific Dental Services
Stacy Collins, Benefits Manager
2860 Michelle Dr., 2nd Floor
Irvine, CA 92606
Contact Info: (714) 734-2195
CollinsS@pacden.com

Plan Assets: \$42,000,000
Contract: 35 basis points (0.35%)

Oil City Iron Works, Inc.
Becky Kinkade, VP Human Resources
814 South Main Street
Corsicana, TX 75110
Contact Info: 903-872-6571
bkincade@ociw.com
Plan Assets: \$5,000,000
Contract: 35 basis points (0.35%)

International E-Z UP, Inc.
Phyllis Frasier, HR Director
1601 Iowa Avenue
Riverside, CA 92507
Contact Info: 951-779-2307
PhyllisFrasier@ezup.com
Plan Assets: \$1,500,000
Contract: 35 basis points (0.35%)

SageView provides investment advisory services, fiduciary training, consulting services, benchmarking, vendor searches and analysis, and multiple site participant education (including bilingual services) to all of the above clients with the exception of Pacific Dental. For Pacific Dental, we are the main participant contact and conduct multiple site participant education meetings.

C. Project Approach

Outline how your firm will approach providing the services as outlined herein and how your firm will schedule key personnel availability. Describe the proposed methodology to perform the scope of services as contained herein. Provide work samples including up to, but not limited to; RFP process, time schedules, evaluation criteria, investment migration strategies, investment performance review procedures, etcetera. Additionally, your proposal shall also include:

1. State your firm's technical approach to the project and the interpretation of the scope of services required and a statement attesting your understanding of the scope of services.

SageView will work with the Central Texas Deferred Compensation Pool Oversight Committee to customize an RFP to address your unique requirements. We will release the RFP and will handle all follow-up questions and inquiries from the vendors.

We will prepare a comprehensive presentation, highlighting key differentiators among the vendors. We will be glad to provide insight into our experiences with the respondents on an ongoing basis. Working with the committee, we will schedule finalist presentations and finalize an agenda and scoring sheet.

SageView will actively negotiate final contract terms and service level agreements on your behalf. We will involve our internal investment committee members to develop a fund lineup, and will actively participate in transition meetings and calls. We will draft an Investment Policy Statement (IPS) for your plan, and will keep it updated as necessary.

In partnership with your chosen vendor, we will hold participant education meetings and develop an annual educational plan. We will provide quarterly reports which include a market overview, legislative updates, and results of our proprietary scoring system for each of your plan investment options. Where appropriate, we will offer fund alternatives. At least annually, we will provide a cost benchmarking report for the plan.

On an ongoing basis, we will partner with you to answer any questions you have about your retirement plan and design options.

2. Provide responses to each of the following questions. Your responses will be used to measure the proposer's experience and knowledge in matters often considered or presented before the Committee.

i. Describe the pros and cons of implementing a single provider versus a multiple provider strategy.

SageView typically recommends single providers for our clients, for several reasons. First, going with a single provider gives a plan sponsor the best bargaining power and puts us in a better position to negotiate lower costs for both plan participants and plan sponsors. Another benefit of a single provider is ease of communication to participants – instead of having to decide which provider to select, we can focus participant education on retirement readiness and asset allocation strategies. Another benefit that our clients have noticed with a single vendor is ease of administration.

While we are an advocate of single providers, we realize that there are situations (such as those described earlier in our response) in which a single provider is not the best solution for some clients. In those situations, we work with our clients to ensure that a plan is in place to coordinate compliance and administrative tasks among the vendors.

ii. Describe your firm's views as to its fiduciary responsibilities under the proposed scope of services should your firm be awarded this project, Proposers may offer alternative solutions/options to achieve a successful completion of the scope of services outlined herein.

At SageView, we recognize and readily accept in writing the responsibility as a co-fiduciary that we share with our clients. The materials we provide, the procedures we help put in place and our ongoing consultation will enable the plan fiduciaries to maintain compliance with the Uniform Fiduciary Standards of Care. The Standards of Care are as follows:

1. Know standards, laws, and trust provisions
2. Diversify assets to specific risk/return profile of client
3. Prepare Investment Policy Statement

4. Use "prudent experts" and money managers – document due diligence
5. Control and account for investment expenses
6. Monitor money managers and service vendors
7. Avoid conflicts of interest and prohibited transactions

We are able to act in an ERISA 3(21) or ERISA 3(38) discretionary investment manager capacity. The difference between a 3(21) and a 3(38) fiduciary relationship is control. Under the former, control over the selection and monitoring of funds remains with the employer, or its designated committee, acting with the advice from the independent 3(21) fiduciary. Under a 3(38) relationship, authority over the selection and monitoring of funds is delegated completely to the independent 3(38) fiduciary. The employer's (or the committee's) only responsibility under a 3(38) relationship, as regards the plan's investment options, is to perform required due diligence to make sure that the independent 3(38) fiduciary it hires is competent and qualified. The response to this proposal includes ERISA 3(21) services where fiduciary responsibility is shared between the Committee and SageView. Should the committee like to explore a 3(38) fiduciary relationship, we would be happy to discuss this further.

- iii. **Describe your firm's opinions as to the advisability of using group variable and fixed annuities in Section 457 Deferred Compensation Plans, as well as any experience your firm may have regarding the costs of terminating relationships with group annuity providers.**

SageView has worked with many clients with group variable and fixed annuities. Some of the newer group annuity options offer much more flexibility and plan sponsor control than in the past. Depending upon the structure of the annuities, we have worked to migrate the contracts when possible to avoid any termination costs for plan participants.

3. **Define the adequacy of resources, including personnel, labor, equipment and supply resources, and other requirements.**

SageView's team is comprised of 84 experienced industry professionals, including 22 lead consultants throughout the United States. SageView's team includes two attorneys, five Certified Public Accountants (CPA), two Certified Investment Management Analysts (CIMA), six CFA Charterholders, four actuaries, one Accredited Investment Fiduciary Analyst (AIFA), and 17 Accredited Investment Fiduciaries (AIF). Many of these designations have associations, such as the CFA charterholders and CPA.

The collective experience of our firm is second-to-none when compared to other consulting firms our size. SageView has the ability of leveraging our entire team so that the Central Texas Deferred Compensation Plan benefits from the collective experience and knowledge of our entire company. All of our employees are solely focused on retirement plan and investment consulting.

4. **Provide an implementation schedule for proposed services including any management and planning strategies.**

Request for Proposal

WEEK OF	TASK	RESPONSIBLE PARTY
06/11/12	Review documents/discuss content of RFP	SageView/Committee
	Vendor requirements reviewed and determined	SageView/Committee
	Finalize vendor requirements to be included	SageView/Committee
	Identification of appropriate vendors	SageView/Committee
06/18/12	Customize RFP document	SageView
	RFP reviewed and approved by committee	Committee
06/25/12	Distribute RFP	SageView
	Answer vendor questions	SageView
07/23/12	RFPs returned	Vendors
07/30/12	SageView reviews responses and develops spreadsheet	SageView
	SageView compiles a formal report of responses	SageView
08/06/12	Responses presented to the Committee	SageView/Committee
	Committee selects finalists	Committee
08/20/12	Finalist presentations	SageView/Committee
	Vendor scoring	SageView/Committee
08/27/12	Final selection of provider by the Committee	SageView/Committee
	Preparation of overview letter detailing the analysis results	SageView
	Notify unsuccessful respondents	SageView

Implementation Process

WEEK OF	TASK	RESPONSIBLE PARTY
8/27/12 – 9/10/12	Schedule implementation meeting	SageView/Committee/Vendor
9/17/12 – 10/08/12	Discuss plan design objectives	SageView/Committee
	Select investments/mapping strategy	SageView/Committee
	Prepare Investment Policy Statement (IPS)	SageView
	Discuss communications/enrollment campaign	SageView/Committee
	Send plan documents to new vendor	SageView
	Review plan document and prepare plan review	Committee
10/15/12 – 10/29/12	Finalize plan design	SageView/Committee
11/05/12 – 11/12/12	Collect signatures on legal documents	Committee
	Send employee announcement letter	SageView/Committee
11/12/12 – 11/19/12	Enter plan information and participant data into recordkeeping system	Vendor
11/12/12 – 12/02/12	Hold educational enrollment meetings	SageView/Vendor

	Process enrollments (if applicable)	Vendor
12/24/12	Prepare for transfer – stop distributions, loans, etc.	Current Vendors
01/02/13	Submit first electronic contribution to new provider	Committee
	Transfer funds to new vendor	Current Vendors
01/02/13 – 01/09/13	Send final records to new vendor	Current Vendors
	Update participant records with final valuation	Vendor
01/09/13 – 01/16/13	Allow participants to access information	Vendor
	Start distributions, loans & withdrawals	Vendor
01/16/13	Schedule quarterly meeting dates	SageView/Committee
04/29/13	Prepare quarterly investment review	SageView
05/13/13	Hold first investment review meeting	SageView/Committee

5. Provide information regarding any proposed innovative concepts that may enhance the value and quality of the services to be performed.

Many of our clients have struggled to find an appropriate qualified default investment option. Asset allocation strategies vary widely among the different investment advisors who provide these types of funds. As an alternative to traditional risk-based or target maturity funds, SageView can design custom, target date portfolios. Advantages of this approach include:

- Best-in-class underlying investments
- Custom glide path construction
- Lower costs
- Choice of active or passive investment management

6. Describe any significant or unique awards received or accomplishments made in previous, similar projects.

In 2007, 2008, 2009, and 2010, SageView was nominated as one of the top five retirement plan advisory organizations by PlanSponsor magazine.

D. Compensation Information & Fees

Fee negotiations will be initiated once the top individual, team, or firm is selected. If negotiations for an acceptable fee are not successful, these negotiations will cease and talks will be initiated with the 2nd highest ranked individual, team, or firm. The contract award will be made by the Committee. As stewards of public funds, the Committee maintains all adopted budgetary parameters in the performance of its contracts. The ability of the successful proposer to maintain a sense of fiscal responsibility shall be favorably considered in the evaluation of proposals.



Michael A. Coelho, AIF
Managing Director
mcoelho@sageviewadvisory.com
512.550.7070



Michael Coelho serves as a Managing Director for SageView's Austin, Texas office. He is responsible for the delivery of quality retirement plan solutions to mid- and large-sized organizations and provides careful navigation for employers to maximize results and to mitigate their fiduciary liability. Michael assists plan sponsors and their participants in reaching their retirement goals, using SageView's proprietary analytical tools to deliver a first-class retirement program.

With more than 15 years in the retirement plan industry, Michael has served the needs of many generations of clients in the areas of Wealth Services and Corporate Benefits. Prior to joining SageView, Michael worked as Director of Retirement Services at a firm founded by his father in 1953.

Michael graduated from Baylor University and has attained the Accredited Investment Fiduciary (AIF) designation from the Center for Fiduciary Studies at the University of Pittsburgh. In 2011, he was named "Most Influential Advisor in the \$5-\$15 Million Plan Market" by 401k Wire. Michael's professional memberships/affiliations include: Founding Lecturer of The Retirement University (TRAU) at the UCLA Anderson School of Business; involvement with two ASPPA (American Society of Pension Professionals & Actuaries) committees, Membership and the Next Generation; Board Member of Whittier Christian High School; and Baja Christian Ministries. He is also a Registered Representative Investment Advisor of Financial Network Investment Corporation (FNIC).

Defining and realizing the financial goals of fiduciaries and individuals.



CONFLICT OF INTEREST STATEMENT

I hereby acknowledge that I am aware of the Local Government Code of the State of Texas, Section 176.006 regarding conflicts of interest and will abide by all provisions as required by Texas law.

Printed name of person submitting form:
Name of Company:
Date:
Signature of person submitting form:

Notarized:

Sworn and subscribed before me by: _____ on _____ (date)

PROPOSAL FORM

FINANCIAL CONSULTANT FOR DEFERRED COMPENSATION 457(b) PLAN

RFP NUMBER: 12RFP00009

NAME OF PROPOSER: SageView Advisory Group, LLC

Mailing Address: 8331 E. Walker Springs Lane, Suite 301

City: Knoxville State: TN Zip: 37923

Email Address: sking@sageviewadvisory.com

Telephone: (865) 246-1775 Fax: (865) 293-4333

The undersigned, by his/her signature, represents that he/she is authorized to bind the proposer to fully comply with the terms and conditions of the attached Request for Proposal, Specifications, and Special Provisions for the amount(s) shown on the accompanying proposal sheet(s). By signing below, you have read the entire document and agreed to the terms therein.

Signature of Person Authorized to Sign Proposal

Sean G. King, JD, CPA, MAcc, Principal
Printed Name and Title of Signer

Date: May 14, 2012

DO NOT SIGN OR SUBMIT WITHOUT READING ENTIRE DOCUMENT

THIS FORM MUST BE COMPLETED, SIGNED, AND RETURNED WITH PROPOSAL