

ORIGINAL

Response To Request for Proposal

**Prince William County Public Schools
457(b) & 403(b) Plans**

November 19, 2009

RVKuhns
► ► ► & ASSOCIATES, INC.

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Prince William County Public Schools
Response to Request for Proposal

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RVKuhns

►►► & ASSOCIATES, INC.

November 11, 2009

Mr Francis Peacher
Administrative Coordinator
Prince William County Public Schools
Edward L. Kelly Leadership Center
14715 Bristow Road
Manassas, VA 20112

RE: Request for Proposal Response for Investment Consulting Services

Dear Mr. Peacher:

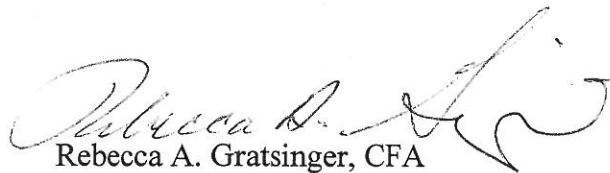
On behalf of R.V. Kuhns & Associates, Inc. (RVK), I want to express my appreciation for the opportunity to submit our proposal response to the Prince William County Public School's 403(b) and 457(b) Plans(the "Plans"). In consideration of the requested services, we have designed a service team composed of professionals who have experience with defined contribution plans. We believe RVK's extensive public fund background in combination with our DC background will provide the Plan with unique insight and valuable recommendations in achieving its objectives.

RVK is an independent, employee-owned S-Corporation that provides independent investment consulting services. Our goal in consulting to DC plans is to assure that plan participants have an array of investment options that will meet each individual's risk and return objectives. Additionally, we will develop an investment program that is cost effective and strive to insure that all investment options will deliver top performance over a long time horizon. I assure you that we will carefully listen to your needs and deliver the necessary products/services that will have a material effect on your Plan. We pride ourselves on our reputation of high ethical standards and no conflicts of interest.

Please do not hesitate to contact Allison Grebe Lee, Director of Business Development, on (503) 802-6112 or on her e-mail, Allison.GrebeLee@rvkuhns.com with any questions concerning our submission. We thank you for your consideration of R.V. Kuhns & Associates, Inc. and look forward to the opportunity to make a personal presentation.

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Sincerely,

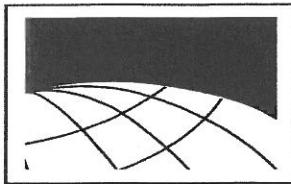


Rebecca A. Gratsinger, CFA

Chief Executive Officer, Senior Consultant, Principal
R.V. Kuhns & Associates, Inc.

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RAG/amd



Prince William County

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REQUEST FOR PROPOSALS

ISSUE DATE: October 29, 2009

RFP #: R-FP-10014

TITLE: Investment Consultant for Supplemental Retirement Plan(s)

DUE DATE/TIME: Sealed Proposals will be received until November 19, 2009 at 1:00 p.m., Local Prevailing Time for furnishing the services described herein. Facsimile and/or electronic proposals will **not** be accepted.

Any Changes and/or Addenda to this solicitation will be posted on the PWCS Web site at www.pwcs.edu/purchasing. Offerors are responsible for checking this Web site prior to proposal submission. Failure to acknowledge all addenda may result in declaration of your bid as non-responsive.

All inquiries for information regarding Procurement Procedures, Selection Criteria, Proposal Submission Requirements, or other Fiscal/Administrative concerns shall be directed to:

Willie Frazier, Jr., CPCM, Supervisor of Purchasing
Frances Peacher, CPPO, Administrative Coordinator, Purchasing
E-Mail: peacherf@pwcs.edu
Phone: 703. 791.8743; Fax: 703.791.7462

**PROPOSALS MAILED SHALL BE SENT
DIRECTLY TO:**

Prince William County Public Schools
Attn: Financial Services/Purchasing Rm #1500
P.O. Box 389
Manassas, VA 20108

**PROPOSALS HAND DELIVERED AND/OR
EXPRESS COURIER SERVICES SHALL BE DELIVERED
TO:**

Prince William County Public Schools
Edward L. Kelly Leadership Center
Attn: Financial Services/Purchasing Rm #1500
14715 Bristow Road
Manassas, VA 20112

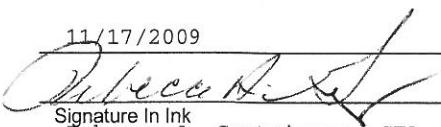
PWCS does not discriminate against faith-based organizations in accordance with the *Code of Virginia*, Section 2.2-4343.1 or against any Bidder or Offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.

In Compliance With This Request For Proposals and To All The Conditions Imposed Herein, The Undersigned Offers and Agrees To Furnish The Services In Accordance With The Signed Proposal Or As Mutually Agreed Upon By Subsequent Negotiation.

Name and Address of Firm:

R.V. Kuhns & Associates, Inc.
111 SW Naito Parkway
Portland, OR 97204

Date: 11/17/2009

By: 
Signature In Ink
Rebecca A. Gratsinger, CFA

Print/Type
Chief Executive Officer

Title
Becky.Gratsinger@rvkuhns.com

93-0910652

Telephone: 503.221.4200
Fax: 503.802.6912

E-Mail Address:
FIN or SSN:

QUESTIONS: Any questions regarding this RFP must be submitted in writing directly to the Contract Administrator, Frances Peacher no later than November 9, 2009 @ 10:00 a.m. Questions may be sent by Facsimile at 703.791.7462 or e-mail Frances Peacher, Administrative Coordinator at peacherf@pwcs.edu.

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6.2.1.

STATEMENT OF NEEDS: The Contractor shall be responsible for providing all necessary supervision, labor, materials, documentation, and support necessary to provide investment consultant services for the PWCS 403(b) and 457(b) supplemental retirement plans to include but not be limited to the following minimum requirements.

5.1 Provide independent and objective advice to PWCS for the purpose of assisting PWCS in meeting fiduciary responsibilities. The Contractor shall provide research, analysis, advice and recommendations with respect to supervision of the governance functions and any appropriate revisions to investment policies, information, selection of funds for inclusion in the Program, and fund and administrator performance evaluation. Additional services in the nature of financial or investment advice may be requested periodically.

We view ourselves as co-fiduciaries in all the relationships we have with our clients. We believe that we differentiate ourselves from our competition because we are recommendations-oriented. Where other firms may be reluctant to make recommendations, we consider making recommendations a vital part of our fiduciary responsibility and consulting philosophy. It is one more way in which we add value to our client relationships. Our role as a fiduciary is narrowly defined, however, since we do not have discretionary authority to manage the assets. We provide information and make recommendations to our clients, but the actual investment decision rests with each client.

RVK will contractually agree that our relationship with Prince William County Public Schools is that of a “fiduciary” a relationship in which we agree to perform the fiduciary duties that are imposed on a fiduciary that are subject to the fiduciary liability provisions of ERISA, as amended.

R. V. Kuhns & Associates, Inc. provides our clients a full range of defined contribution services, including:

- Plan Evaluation
- Investment Policy Drafting and Oversight
- Investment Manager Search and Selection
- Quarterly Performance Analysis
- Monthly Investment Performance Summaries
- Client Education
- Defined Contribution Decision Structure and Design Services
- Third Party Administrator & Recordkeeper Evaluation and Search

Plan Evaluation

In order to achieve the Plan’s goals and objectives, we evaluate the structure of the Board and the decision-making process, the participants involved, the overarching strategy (including the existing investments and the assets involved) as our initial step before we undertake consulting services.

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Investment Policy Drafting and Oversight

The Investment Policy, Guidelines, and Objectives statement is one of the most important tools of fiduciary responsibility because it is the foundation upon which all investment decisions will be made. We believe the statement should not only document investment goals, but also establish a process for implementation. The guidelines set forth in the Investment Policy assist the client and the consultant in monitoring the Plan, as well as each individual investment manager.

Investment Manager Search & Selection

We have extensive experience researching and evaluating investment managers. In addition to quantitative performance evaluation, we rely on in-depth, proprietary qualitative evaluation. We gather the information used in the qualitative evaluation through annual questionnaires and meetings with the managers in our offices or onsite visits to the managers' offices. When we conduct a manager search, we do so specifically for the client. Our dedicated Investment Manager Research Department coordinates searches.

Quarterly Performance Analysis

Our proprietary system allows us to customize each client's investment performance analysis report to fit its specific needs. The report generally begins with a review of the capital markets environment and then proceeds to an analysis of the total fund. The objective of the performance analysis report is to explain why the investment managers may have over- or under-performed in any given environment and to ensure they are meeting expectations. Our reports also compare the managers' performance to appropriate benchmarks and peer groups, and the report ranks the rates of return. Investment performance analysis reports are generally produced quarterly and presented to the client at quarterly or semi-annual meetings.

Monthly Investment Performance Summaries

RVK can provide clients with monthly performance summaries, which are generally available 15 business days after the end of the month.

Client Education

All of our consultants have extensive backgrounds in developing and conducting educational seminars at the plan sponsor level for Board Members of all levels of investment knowledge. Seminars have ranged in length from one-half hour to two days. During the seminars, our consultants have covered topics such as IRS regulations, best practices for a 403(b) Plan, and defining TRD funds. We also have extensive experience assisting client develop participant level education and update information.

Defined Contribution Decision Structure and Design Services

RVK has extensive experience working with participant directed defined contribution plans. As part of our strategic business plan, we view the defined contribution market as one of our primary areas for growth and development. We believe that while defined contribution plans offer participants greater freedom of choice and portability than traditional defined benefit pension plans, this increased freedom can also result in less well-informed investment decisions and increased fees. To address these issues our consultants draw on the lessons of behavioral economics to assist our clients in the development of an improved "decision architecture." By

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paying special attention to how decisions are presented to plan participants, it is possible to make substantial gains in participation rates, contribution rates, and asset allocation decisions. In addition, many of the steps necessary to introduce improved decision architecture result in fewer investment options and a higher asset base, they can also be instrumental in cutting total plan fees.

Our firm also pays special attention to assisting plan fiduciaries control total plan costs. For large plans, we advocate an unbundled plan structure whenever possible, as unbundled plans benefit from increased cost transparency, and any service offered to the plan can be bid competitively if services or price are not satisfactory. As part of our efforts to understand and control total plan costs, our Consultants and our Defined Contribution Solutions Group regularly meet with major third party administrators and recordkeepers.

Third Party Administrator & Recordkeeper Evaluation and Search

The choice of vendor(s) for the recordkeeping and administration of a defined contribution plan is one of the most critical tasks for plan trustees. The choice of service provider(s) will affect:

- The range and quality of investment options available for selection.
- The liquidity of plan assets.
- The quality of communication and education services received by participants.
- The ability of plan staff to provide investment and compliance oversight to the plan.
- The ability to make changes to the investments offered as required by fiduciary standards.
- The cost of investment options and plan administration.
- The degree of transparency and accountability to participants.

Because these decisions have such an impact on outcomes for our clients, our firm has two groups dedicated to assisting our clients with searches for administrative service providers. Should PWCS determine that undertaking a vendor search is necessary, one or more members of our Defined Contribution Solutions Group and our Investment Operation Solutions Group will work with the primary client team to provide the best service possible.

5.2 Assistance with the periodic solicitation process for both vendor and plan administration services, including preparation of the draft request for proposal (RFP) with selection criteria using a PWCS template, identification of prospective vendor contacts, evaluation of proposals, interviews of selected firms and quantified rankings of offerors based on prescribed selection criteria. This would also include any additional services needed if a decision is made by PWCS to change the Fund Administrator with an associated change in fund options. Additional services could include a review of the investment lineup and assistance with implementation of a new program.

Every member of our consulting staff has broad experience designing, conducting, and evaluating provider RFPs. Additionally, our firm has developed an approach to TPA/recordkeeper RFP's that is designed to maximize fee transparency and direct comparability of services and costs for our clients. We work hard to ensure that our clients are presented with

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“apples to apples” comparisons to the extent possible, to facilitate a clear decision-making process.

We believe that when plan service contracts are submitted to an open and competitive bid process, it provides an extremely valuable opportunity to the plan to obtain valuable price and service benchmarking information, and to provide solutions for challenges that the plan may experience not only in the present time, but over the length of the offered contract, and beyond. In order to both facilitate a smooth and productive process, and to maximize value for our clients, our firm starts the process of designing an RFP with an extensive data-gathering and strategic planning process. First steps include:

- Analysis of all applicable laws, rules, and regulations that apply to the specific plan that may be in addition to federal regulations.
- Comprehensive review of the current plan documents, investment policy statements, and other documents governing the plan. Potential changes or amendments are outlined and noted in advance of the RFP.
- Analysis of the past and projected participant demographics, including:
 - Growth/decline in active and inactive participant accounts
 - Changes in average account balances
 - Normal age(s) of retirement
 - Length of service/vesting
 - Growth/decline in participant saving/deferral rates
 - Saving/deferral patterns
 - Growth/decline and patterns in plan participant rates
 - Asset allocation trends, including utilization of default options, as applicable
- Analysis of any plan-level liquidity constraints (such as those typically imposed by stable value options) that may affect the ability of plan assets to be transferred to a new provider.
- Analysis of the current level of plan communication and education efforts, and the success or failure of accountability metrics for the current provider in meeting plan C&E goals.

Upon completion of the data-gathering phase, our Consultants will work with staff to discuss industry best practices and overall plan goals, and determine a strategic plan for the RFP process, and design the request for proposal to achieve those goals.

When designing requests for proposal for defined contribution plans, our firm places a premium on achieving clear, transparent fee proposals, preferably in an unbundled plan structure. It is our belief that comparison of plan pricing on percentage or basis point terms is an imperfect measure of total plan costs, as these measures fail to reflect the actual “hard dollar” expenditures paid by plan assets through the entire length of the contract. In addition, because the costs to plan service providers vary most with the number of accounts serviced, rather than asset levels, our method focuses on comparing the average total cost paid, per participant account, per year, over the duration of the proposed contract. We believe that by comparing costs on these terms over the length of the contract, clearer, more accurate, relevant, and transparent pricing proposals are achieved.

Over the last three years , our firm has conducted searches for third party administration and recordkeeping services for over 20 plans representing over \$10 billion in assets, and over 300,000 participants, including several state defined contribution and deferred compensation programs.

We leverage the resources of both our consulting teams and specialized teams of cross-functional experts within our defined contribution solutions group to produce meaningful and effective RFPs and coordinate the RFP process. Our Consultants have wide experience in designing, issuing, and evaluating defined contribution plan requests for proposal. We believe that our deep experience and comprehensive,

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thorough, and highly customized approach to the plan services RFP process is one of the things that sets us apart from our competitors.

5.3 Review and evaluate PWCS Investment Policy Statement as necessary in order to maintain policy provisions consistent with the PWCS responsibilities as plan sponsor and in accordance with generally accepted best practices in the industry, providing recommendations for changes to the policy when needed. Determine (or validate) which asset classes should be included, as well as identify the standards for evaluation and objectives within each asset class represented.

We have detailed experience developing investment policies and objectives for our clients and believe that the development of an Investment Policy, Guidelines, and Objectives statement is one of the most important aspects of fiduciary responsibility.

We believe the statement should not only document investment goals and basic underlying strategies, but also direct a process for implementation. Accordingly, we spend considerable time with all our clients ensuring that policy guidelines are updated, followed, and continue to serve the objectives of the organization.

RVK's first priority in designing investment policies is to work closely with the Board/Trustees and staff to develop a statement that focuses on the steps necessary to ensure that the policy meets the goals of the plan. Typical components include:

- Plan Purpose, History, & Mission
- Objectives
- Responsibilities and Governance Structure
- Plan Investment Structure
- Profile of Authorized Asset Classes
- Investment Performance Standards
- Investment Guidelines and Restrictions
- Watch List Procedure and Monitoring Process & Criteria

RVK works with its clients to determine the appropriate legal framework under which our clients' investment decisions are to be analyzed. We perform this analysis as a component of the investment policy and governance review process of our initial work plan. Naturally, plan governance documents and legal regulations governing plan investments evolve over time, and we work together with investment staff to anticipate and proactively respond to any conflict that may arise. As a fiduciary to our clients, we provide additional verification that investments are made within the restrictions and parameters so established.

A fundamental principal of our investment philosophy is that clients should set a long-term strategic asset allocation in the investment policy. With a firm strategic asset allocation, the disciplined investor with a long time horizon rebalances the portfolio back to the policy asset allocation when the investments receive additional cash flows or when the capital market shifts have affected relative valuations.

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5.4 Assist PWCS in analyzing available investments options with the objective of making a determination as to conformance with the objectives of the Investment Policy Statement.

One of the core services our firm offers is our investment policy review for monitoring investment manager compliance to the investment policy statement. In this review, which we can produce quarterly as part of your Investment Performance Analysis, we monitor:

- Investment manager compliance with the plan's investment guidelines
- Progress toward overall plan objectives
- Performance objectives and tracking error vs. appropriate benchmarks
- Fees & Expenses

We believe that the investment policy review is an excellent tool that links client's performance analysis report to its investment policy statement.

5.5 Evaluate available investments in the Supplemental Retirement Plan, examining style, risk, consistency, cost and performance against appropriate peers and benchmarks based on the Investment Policy Statement to identify asset class gaps or overlaps. To the extent a fund does not meet the objective established, recommend action to Watch List, or terminate the fund and if applicable analyze the available funds for an appropriate replacement and make a recommendation for replacement and transition.

RVK recommends clients build language into their Investment Policy and Objectives statement indicating specific investment performance objectives and benchmarks against which the manager will be evaluated.

We review style consistency quarterly for our client's portfolios. This is reviewed through holdings-based style analysis as well as return-based style analysis. Sector attribution, return-based style analysis, and several holdings-based portfolio reports are available in our standard reporting package that we supply to our clients on a quarterly basis. Through our Investment Policy Audit, our firm also monitors compliance with the client's Investment Policy and Objectives statement.

Please see TAB 7 for examples of manager reviews.

We strongly recommend that clients have and use a watch list policy. We believe that underperformance vs. peers and benchmarks for a period as short as a year or less can be cause for concern depending upon what our analysis reveals regarding the underlying reasons for the underperformance. Factors that are weighed in the evaluation of performance will often include the specific climate present in the capital markets generally and within the sector of the mandate given that manager. We believe one of the advantages of RVK highly proactive approach is that timely, situation-specific analyses and willingness to recommend changes as warranted can make arbitrary time period triggers less important.

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When a manager is placed on the “watch list”, RVK may take such actions as requiring the manager to implement special or more frequent reporting, conducting periodic conference calls to review intra-period results, conducting an on-site visit. Our consultant may report this information and our analysis and recommendations back to clients via periodic emails or conference calls between formal meetings or at the client’s regularly scheduled meeting. Also, there may be sudden and unexpected changes in a manager’s status, such as the departure of a key portfolio manager. If we believe the situation requires a more immediate review and possible response, we will contact the manager, review the situation and then immediately contact our clients with our evaluation of the situation along with recommendations as necessary. A watch list manager is monitored both from a performance and strategy standpoint. The stretch of time a manager is placed on watch is determined by their strategy and style. Managers remain on watch until the firm execution shows sustainable signs of improvement. If the situation, either operational or performance related, experiences positive developments the manager may be removed from the watch list.

Generally, once we determine that a manager is not meeting investment performance criteria, we contact the manager and explore the reasons for underperformance. We then report our findings back to the Investment Committee or Board. We also recommend calling in the manager immediately to brief the Committee or Board about the reasons for the underperformance. Additionally, our manager search and monitoring process can be leveraged to provide a context within which to evaluate the manager, while also offering some alternatives should the decision to terminate be made.

Our investment manager research process is a combination of quantitative and fundamental research techniques.

For traditional asset classes, the process begins with a quantitative ranking of the entire investment manager universe. We rank each product on broad categories using quantifiable measures. The categories are:

- Firm – ownership, regulatory compliance, assets, insurance levels
- Team – team years of experience in the industry and at the firm, departures
- Performance – rolling period alpha vs. appropriate benchmark
- Product – multiple attributes such as: number of holdings, market cap, turnover, cash position, assets, duration

Then, we sort the entire universe on a risk adjusted return measure. While there is no absolute rule for nominating a manager for further research, generally the research group would first review those managers with superior risk adjusted returns that rank well within our methodology. At a minimum, the ranking process acts as a “red flag” report that helps the research team focus on concerns with the product.

Once a list of firms has been identified through our screening process we move into a fundamental research process in which we strive to completely understand the nature of the manager’s business, how they choose securities, how they construct portfolios, and how they implement their sell discipline. The key to this process is meeting with the portfolio managers themselves to understand who is making the key decisions and how those key decisions are being made. We also strive to understand the ownership

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structure of the firm, the tenure of the key decision makers, the evolution of their investment process, and any transition plans that may affect the structure of the firm.

Firms and products that continue to look promising at this stage merit review by the Investment Manager Research Committee, which includes all the consultants of RVK.

The final step is to visit the firm onsite. A consultant and/or a representative of the research group conduct(s) these meetings.

It is important to note that the research process is continuous. The research process not only helps originate good ideas, it also allows us to see how current managers compare to their competitors.

Additionally, the research process often helps identify trends, positive or negative, that are developing within an asset class. Top performers often exhibit similar characteristics such as quantitative versus qualitative, concentrated vs. diversified, conservative vs. aggressive. We utilize this information to help keep performance in context of style. We completed 269 searches in 2008.

RVK often utilizes the following factors in its initial screening of managers:

Screen Database by Asset Class (vary by asset class)

- Equity - Weighted average market cap constraints
- Equity - Number of holdings greater than 30
- Fixed Income – Duration
- Fixed Income – Number of issues greater than 40
- Fixed Income – Credit quality constraints
- Manager stated style
- Manager stated capitalization style
- Five-year performance above benchmark
- Five-year performance above median universe
- Assets under management of firm
- Assets under management of product
- Key professionals working on the product for three years with no significant departures

Then, the firm reviews a secondary list as part of the screening criteria. Below is a list of some of the more critical areas of focus that are essential in the investment manager selection process:

Firm

- Errors and Omission insurance
- Firm bonded
- CFA Institute (formerly AIMR) compliant Level 1 or 2
- Understand any changes in ownership; both historical and projected
- Understand the history of the firm & founders
- Lawsuits or pending litigation – SEC investigations
- Has the firm ever had to utilize E&O insurance?

Professionals

- Stable management team
- Has the same team been involved with the product since inception?

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- Have there been any significant departures?
- Does the management team have ownership in the firm?
- Review biographies of the management team including prior experience at quality firms as well as formal education
- Salary and incentive systems—Understand motivation for staying with firm
- Understand the structure of the management team
- Star system with analyst support
- Portfolio manager team members with equal roles
- If a research team supports the portfolio managers, what is the interaction between the two groups?

Performance

- Consistency – rolling periods above benchmark and median.
- Above median performance over market cycle.
- Consistent with stated style.
- Lower volatility a plus.
- Avoid products with one good year.
- Avoid products with 4th quartile three-year return in rolling period analysis.
- Track records less than five years are accepted only with mitigating circumstances.
- Simulated returns are unacceptable.

Process

- Research & management process must be well-defined and consistently applied.
- Understand the daily interaction between team members.
- To what extent are models built internally?
- Understand how the research is broken up between portfolio managers and analysts.
- To what extent do the portfolio managers or analysts speak with company management, competitors, and suppliers?
- To what extent is external research utilized?
- Understand where the quantitative screens end and more rigorous fundamental research begin.
- What quantitative and qualitative characteristics is the portfolio management team looking for? Do they match the stated style?
- Sell discipline should be clearly defined.
- Does trading follow SEC guidelines for best price and execution?
- Does the investment manager trade through an affiliated broker?
- Are any portions of trades directed to a broker?

Risk Control

- Diversified portfolio, at least 35 securities.
- No single security more than 7% of the portfolio.
- Stated style and benchmark matches securities in portfolio (size and core/growth/value mix).
- Understand thresholds for sector or industry minimum or maximums.

Product

- Vehicles available and minimums?
 - Separate management.
 - Commingled fund? Limitations on client types?
 - Mutual fund? Are there institutional shares?
- Client list – does the manager have experience managing institutional assets?

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- AUM – look for stable growth.
- Review history of account termination.

Client Service

- Understand the client service model for the investment manager.

5.6 Conduct an expense audit of the Supplemental Retirement Plans upon request by PWCS using data received from PWCS or obtained from the administrator; and provide an analysis of all fees (explicit and implicit) being paid by the program. In order to provide this analysis, review the administrator's contract, any information filings by the administrator and other data that might prove necessary to perform an analysis of the program fees.

Analysis of total plan fees is one of the critically important tasks of an investment consultant, and it is a service that we perform for our defined contribution clients. While the *total* fees paid by the plan are most important, it is also essential that the plan understand what each fee is, and how investment and administrative service providers are compensated.

To accomplish this, RVK will normally begin by requiring that all current vendors to the plan provide invoice records of all fees currently charged. These will include direct plan-level fees, investment management fees, participant direct fees for items such as loan administration or investment advice, and revenue-sharing.

Once this data is assembled, our process will extend to the analysis of other revenue sources. For 403(b) and 457 plans, this will often extend to the revenues generated by so-called "spread" products such as stable value or fixed annuities, which often do not declare "fees" in the traditional sense. A similar analysis will be extended to the mortality and expense fees charged by variable annuity providers.

Once this data is accumulated, a full detail of the implicit and explicit fees can be generated. While each client's preferences vary, we have historically included some or all of the following in our audits:

- Total expense ratio ranking against a peer universe of similar funds
- Estimated annual dollar cost (rather than basis points) of administrative services on a per-participant basis
- Description of all revenue-sharing from funds offered through the plan
- Summary of additional ad-hoc fees charged to the plan and to participants
- Summary of any proprietary fund requirements or liquidity restrictions associated with the current pricing agreement

5.7 Attend quarterly meetings and provide quarterly written performance reports of the program with consolidated and separate information for Section 457(b), and 403(b) pretax and 403(b) Roth after tax plans containing information on manager performance, risk, costs, peer analysis, style and consistency for each fund in the program. This will include specific fund analysis as it relates to the investment policy. The Contractor will compare each fund against appropriate benchmarks as well as

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appropriate peer groups. This will also include specific recommendations for funds to be monitored, maintained, eliminated or replaced based on the objectives previously established. To the extent a fund no longer meets the established objectives. Contractor will make specific recommendations as to continued monitoring, Watch Listing, or the availability of an appropriate replacement and recommend transition measures. Attend quarterly meetings to present/review the quarterly written reports

RVK would be committed to attending quarterly meetings to present our written performance reports. Central to our performance analysis is the fact that we create reports fully customized to meet our clients' individual needs. The firm has invested a substantial portion of annual revenues in technology during the past several years. Our performance measurement architecture and relational database allows us great flexibility in varying and adapting performance reports. We see this as a dynamic process, and our clients are one of the best sources available to aid in this development. Therefore, our clients play a significant role in determining the content and format of our charts and exhibits; we strive to include the suggestions and ideas provided by our clients in our performance reports.

Performance Measurement

RVK's performance measurement system uses the Modified Dietz method of return calculation, which is a "time-weighted" approximation. The Modified Dietz method uses a day-weighted approximation of the time-weighted return based upon the funds available for investment to calculate performance returns. The time-weighted performance results reported reflect the standard measures of manager-level and composite-level performance reporting as defined by the most recent AIMR (now CFA-Institute) Performance Presentation Standards. It is our professional opinion that most, if not all, fiduciary bodies recognize the validity of these standards.

Benchmarking

The key to analyzing the investment performance we calculate is proper benchmarking. Our approach for developing performance benchmarks revolves around our belief that yesterday's performance yardsticks may not be appropriate for the challenges of today and tomorrow. We have thus been extremely proactive in using technology to determine suitable benchmarks for investment managers, rather than measure performance with a default benchmark. Our benchmark selection process addresses the following:

- What is the most appropriate benchmark to evaluate an investment manager's performance?
- What benchmarks should be utilized when designing a customized benchmark/policy portfolio for an individual client?
- What is a manager's long-term, targeted capitalization mix?
- What is a manager's long-term, targeted style tilt?

The first step in determining benchmarks for evaluation of an investment manager's performance is to establish the capitalization and style of the manager. We classify individual equity managers by capitalization ranging from micro, small, small/mid, mid, and large, as well as all cap. In terms of management style, classifications we use include deep value, relative value,

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core, conservative growth, and growth. These classifications are determined based on both information provided by managers with respect to their strategy, as well as current and historical characteristic data for their portfolio. Managers will report to us their preferred benchmark, their primary and secondary style emphasis, their primary equity capitalization including minimum and maximum ranges for purchase, and written strategy narratives. This is supported by our review of characteristics such as weighted average market cap, median market cap, capitalization distribution, dividend yield, price-to-earnings ratios, price-to-book values, five-year ROE, earnings growth, sector allocations, performance, volatility, and tracking error measures.

Once we have determined the capitalization and style of the manager, we can select an appropriate benchmark. Our performance measurement system has access to 600 individual benchmarks (e.g., domestic equity, domestic fixed-income, international equity, international fixed-income, real estate, and cash). In addition to the standard benchmarks, we can develop custom benchmarks.

Peer Comparisons

For comparing individual manager results, RVK utilizes the Lipper peer groups for peer comparison and rankings of mutual fund investments. The Lipper database includes performance and other quantitative data for more than 636 investment management firms, 23,637 investment products, across 127 standard peer groups. RVK also has subscriptions to MPI Stylus and eVestment Alliance. These databases are relied upon heavily for our manager research efforts, but are also utilized as needed to supplement investment performance reporting and analysis.

Taken as a whole, we believe that our firm's ability to accurately monitor performance and subsidiary characteristics of mutual funds, commingled funds, separate accounts, and alternative investments provides our clients with a strategic investment advantage, as well as an additional layer of fiduciary protection. Our performance monitoring provides our clients with the firm assurance that any investment vehicle that they may wish to employ can be carefully monitored and reported upon by their investment consultant.

5.8 Assist PWCS in maintaining an Investment Policy Statement with any necessary amendments consistent with best practices in the industry and advises PWCS on the provision of investment options in accordance with the investment policy statement.

When we begin a new client relationship, we request a copy of the current investment policy from the client. As part of our proposed client work plan, we work with the client to set up a timeline for conducting a detailed review and draft revisions of the existing investment policy.

As stated in Section 5.3, we have detailed experience maintaining and assisting with Investment Policy Statements. Please see Section 5.3 for details on our approach to developing and maintaining Investment Policy Statements.

5.9 Evaluate the performance of the current investment options, advising on the use of "watch lists" or other means of monitoring the performance of such investment options, advising on best practices regarding any necessary changes in investment options, and

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assisting with issues, which may include advising on the contract with the administrator and any related solicitations, and providing any other financial or governance advice required for management of the Supplemental Retirement Plan.

As stated in our responses to Items 5.5 and 5.7, RVK will provide the necessary evaluation and advice required for current investment options as well as provide advice and consultation on monitoring performance and change recommendations on an ongoing basis as required by the Supplemental Retirement Plan. Please see our answers to Items 5.5 and 5.7 for additional details.

5.10 Present the program to staff and/or school board as deemed necessary, if required.

RVK would be committed to present the program to staff and/or school board as deemed necessary if required.

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6.2.2.

Organization/Experience/Qualifications/Ability to Perform: The Offeror must describe their organization, qualifications and staff experience and provide resumes of proposed fulltime and part time management team who would be assigned to work on this project; resumes provided must indicate education, background, recent relevant experience with the subject matter of this project.

RVK has steadfastly remained an independent firm, owned and run by a steadily broadening base of dedicated professionals since our inception. Over our history we have incrementally moved from essentially a sole proprietor model in 1986 to a firm with ownership spread among 20 partners. Russell V. Kuhns is the Chairman, founder, and majority stockholder (just over 50%). Nineteen senior members of the firm own the remaining percentage of the firm. Ownership in the firm will continue to devolve to these and additional senior personnel on an annual basis. All RVK owners are active in the business and expect to remain so for the foreseeable future. As a privately held company, we do not list each owner's percentage ownership.

Since 2008 RVK has expanded into the full range of specialty real estate and infrastructure consulting with the retention of three new professionals with notable experience in specialty real estate consulting. This expansion has allowed RVK to open a Chicago office, our first permanent office in the central U.S. Since 2005 we have added eight consultants, eight associate consultants, two analysts, nine investment associates, a public fund analyst, and five dedicated research professionals.

We have further increased the number of CFA Charterholders employed by RVK from seven to 11 and nine of our Associate Consultants, Investment Analysts, and other financial professionals within the firm are currently working toward completion of the three CFA levels. We have also added 12 MBA degrees for a total of 18 and added six Master's degrees for a total of 12. Our consulting staff also now include a CPA and a JD.

Below is the consulting team we propose for this mandate and their biographies/credentials:

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Name/Title	Email Address
Anthony K. Johnson – Senior Consultant, Principal	Tony.Johnson@rvkuhns.com
Bruno Grimaldi - Senior Consultant, Principal	Bruno.Grimaldi@rvkuhns.com
Farah Hatia, MBA – Associate Consultant Senior Advisor	Farah.Hatia@rvkuhns.com
Robert Palmeri, CFA – Director of East Coast Consulting Operations, Senior Consultant, Principal	Rob.Palmeri@rvkuhns.com
DC Specialist	
Benjamin B. Taylor, M.A. IPED, M.P.P - Associate Consultant	Ben.Taylor@rvkuhns.com

Anthony K. Johnson – Senior Consultant, Principal

Anthony Johnson is a Senior Consultant with R.V. Kuhns & Associates, Inc. who joined the firm in 2008 and is located in our New York City office. Tony's experience includes oversight of the City of Philadelphia's \$4.3 billion Public Employees Retirement System and Deferred Compensation Program, where he was the Chief Investment Officer for over four years. While with the City of Philadelphia, he implemented their portable alpha investment program, performed independent due diligence activities, negotiated contracts with investment managers, and managed relationships with custodians, consultants, investment firms, and service providers. During his career, Tony served as a senior consultant with Franklin Park Associates researching and providing consulting services to institutional investors on private equity partnerships. He also served as an investment consultant with Mercer on corporate and healthcare investment plans serviced from the Philadelphia and New York offices. Tony started his career as a risk analyst with an insurance brokerage firm.

Tony earned his BBA with dual majors in Finance and Risk Management & Insurance, with honors, from Temple University in Philadelphia. Tony is a shareholder of the firm.

Bruno Grimaldi - Senior Consultant, Principal

Bruno Grimaldi is a Senior Consultant with R.V. Kuhns & Associates, Inc. and is located in our New York City office. He joined the firm in 2005 and has more than 14 years of experience working in the investment consulting industry. Bruno has extensive experience working with corporations, Taft-Hartley plans, government entities, and hospitals. Bruno's experience includes developing investment policy statements, formulating asset allocations, manager structures, conducting manager searches, performance monitoring, and ongoing investment manager due diligence. Prior to joining RVK, Bruno was a Senior Investment Consultant with KPMG, LLP where he was responsible for consulting to institutional clients on all aspects of the investment management process and participated in manager research and due diligence. Earlier in his career, Bruno was a Senior Account Manager with a large European publishing house in Europe.

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Bruno graduated Magna Cum Laude from Baruch College in New York, receiving a Bachelors of Business Administration in International Marketing. Bruno is a shareholder of the firm.

Robert Palmeri, CFA – Director of East Coast Consulting Operations, Senior Consultant, Principal

Robert Palmeri is a Senior Consultant and Director of East Coast Consulting Operations with R.V. Kuhns & Associates, Inc. and is located in our New York City office. Rob joined R.V. Kuhns & Associates, Inc.'s Board in 2009. He joined the firm in 2005 and has 22 years of experience working in the investment consulting and asset management industry. In addition to his consulting responsibilities, Rob has responsibility for coordinating and implementing our East Coast consulting activities. As a consultant, Rob has extensive experience working with corporations, government entities, and endowments/foundations. Rob's experience includes developing investment policy statements, formulating asset allocations, manager structures, conducting manager searches, performance monitoring and ongoing investment manager due diligence. Prior to joining RVK, Rob was a Senior Investment Consultant with KPMG, LLP. As a senior member of KPMG's Investment Advisory practice, Rob was responsible for consulting to institutional clients on all aspects of the investment management process and participated in manager research and due diligence. Earlier in his career, Rob was a Regional Director and Investment Consultant at Christian Brothers Investment Services, Inc. (CBIS). At CBIS, he was responsible for investment consulting activities and was a member of the firm's Investment Policy and Client Service Policy teams.

Rob received his Bachelor of Science degree in Finance from Ithaca College in Ithaca, NY and holds the Chartered Financial Analyst designation. He is a member of the CFA Institute and a member of the New York Society of Financial Analysts. Rob is a shareholder of the firm.

Farah Hatia, MBA – Associate Consultant

Farah joined R.V. Kuhns & Associates, Inc. in 2008 and works out of our New York City office. Prior to joining RVK, Farah was Vice President at Bear Stearns, where she gained both qualitative and quantitative skills in asset allocation research, capital market assumptions, risk management, and performance reporting. Prior to Bear Stearns, She was an Analyst for Sawdust Investment Management where she gained experience in private equity.

Farah earned her MBA with concentrations in Finance and Entrepreneurship from the University of Chicago. She graduated with a BS in Business Administration from the University of Illinois.

Benjamin B. Taylor, M.A. IPED, M.P.P - Associate Consultant

Ben joined R.V. Kuhns & Associates, Inc. in 2007 as an Associate Consultant and is located in our Portland, Oregon office. Prior to joining RVK, Ben taught undergraduate economics at Harvard College. Ben received his Bachelor of Arts degree in Political Science from Reed College, and holds a Master of International Political Economy and Development degree from Fordham University. Ben also attended Harvard's John F. Kennedy School of Government, where he earned a Master of Public Policy degree, with a concentration in international finance.

Ben's master's thesis project focused on lowering fees and improving investment performance in 457(b) retirement plans, and was conducted on behalf of R.V. Kuhns & Associates, Inc. At

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RVK Ben works primarily with public and private defined contribution plans. He is a member of the RVK Defined Contribution Solutions Group, and coordinates new research dedicated to providing innovative solutions for defined contribution clients. He has passed Level I of the CFA exam.

A staffing plan is required which describes the Offeror's proposed staff distribution to accomplish this work.

We strongly believe in a team approach to consulting rather than a lone consultant approach. This not only allows clients to benefit from the experience and ideas of more than one individual, but also ensures that you can easily contact members of your service team. Having a team consisting of senior consultants, associate consultants, and an assigned analyst familiar with your account ensures that a professional is always available to assist you. Additionally, consultants direct specific projects for our clients through our Executive Leadership Team before presenting them to clients. These "peer reviews" allow our clients to experience the benefit of all of RVK's senior consultants' knowledge.

We believe it is important to assign clients a service team that specializes in that client's specific plan(s), as there are substantial differences between corporate plans, public plans, defined contribution plans, and so forth. When responding to a Request for Proposal, we design a service team composed of professionals having direct experience with your Plan's type. For the Plans we have put together a Primary Consulting Team, comprised of 2 consultants, an associate consultant, an investment associate, and a senior consultant as a senior advisor and DC specialist.

Additionally, the assigned team will use internal resources that are dedicated to manager search and evaluation as well as performance measurement to support the tasks required by PWCS.

Investment Manager Research

Our Investment Manager Research Department (IMR) continually screens databases for investment managers who meet our strict quantitative and qualitative criteria. Once investment managers are identified, the Investment Manager Research Department contacts them for in depth interviews. RVK interviews managers via on-site visits, conference calls, and during presentations at our offices.

While IMR much of the preliminary work, the consultants ultimately drive the process. Our consultants give IMR continual feedback regarding the suitability of the managers presented to them based on their assessment of client needs. Periodically, our consultants review top candidates in an asset class of their choice. RVK then invites investment managers to a mock finalist presentation where the consultants carefully evaluate the managers' products and presentations. If an investment manager passes our thorough review, members of our consultant team will perform an on-site visit with the investment manager.

Periodically, we evaluate the performance of investment managers currently serving our clients. Additionally, these investment managers meet with our Investment Manager Research Department and consultants on a regular basis. In the event an issue arises that our consultant team believes may impair the investment manager's ability to add value for our clients, members

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of our consultant team meet with the portfolio managers to determine the appropriate course of action.

Performance Measurement & Analytics (PMA)

PMA prepares full performance measurement reports for our clients on a quarterly basis, showing performances of the client's various portfolios and specific manager performance and rankings. PMA is made up of 29 investment analysts, who produce all of our clients' performance measurement reports.

The reports that PMA produces are easily understandable, yet sufficiently detailed to give our clients a clear picture of their absolute and relative performance. Each report also contains a market environment summary, providing an analysis of that quarter's returns for the various indices. Our quarterly reports are generally available five to six weeks after a period ends. Additionally, PMA can provide our clients with monthly flash reports. These monthly reports summarize the fund's performance experience during the month and recent periods, and compare results to relevant benchmarks and indices.

PMA utilizes two technology platforms for performance measurement and reporting: the PARis performance system, which is a securities-based platform, and MPI Stylus ("MPI"), a returns-based analytical and reporting platform. Using these two systems, in conjunction with our subscription and proprietary databases, PMA can customize performance reports that includes all appropriate benchmarks, peer groups, and quantitative return and risk analytics.

Operations

The Operations Department develops and executes the operational plans and projects that ensure the company and management have the necessary information to make informed business decisions. The day-to-day functions of the department include conducting new employee orientations; administering the employee benefit program; researching answers to daily inquiries from employees about company policies, payroll, and benefits. Operations implements HR procedures and processes with the approval of the Management Committee.

Operations works with Accounting to conduct research for future planning of RVK by contributing to the budget process as part of the company's overall strategic planning. As part of the department's function, Operations oversees and participates in contract initiation with new clients and fee increase letters to existing clients.

Project Support Team (PST)

PST is responsible for arranging and coordinating all of the consultants' and ACs' travel arrangements to and from client meetings, which also involves making sure each consultant's calendar is up-to-date. In addition to arranging travel, PST is responsible for maintaining minutes of client master files and distributing them to the appropriate personnel who is assigned a particular responsibility by the client. PST types all correspondence for the consultants, ensures that clients receive their performance reports, and arranges manager meetings on behalf of the client and at the request of the consultant. PST is responsible for maintaining the Master Client List in Microsoft Outlook, which is used by all RVK members to find out information about our clients.

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PST is comprised of four executive assistants and the front desk coordinator, who all report to the senior executive assistant and team leader for PST.

The Offeror shall provide pertinent financial data which demonstrates the Offeror's corporate capability to successfully perform (e.g., annual financial reports and statements, Dun and Bradstreet and/or other credit bureau ratings.)

Please see TAB 8 for a copy of the firm's most recent audited financial statements.

Offeror must address ability to meet or exceed the insurance requirements under Section 9.9. Provide what level of Errors & Omissions insurance your firm currently carries.

Please see below for an overview of the firm's current insurance coverage:

Policy number	Line of coverage	Term of coverage	Limits of Liability	Carrier
494BD0197	Fiduciary Dishonesty Bond for Empl Benefits	11/1/08-09	\$3,000,000 Aggregate	Travelers
484PB0547	Fidelity/Crime	11/1/08-09	\$500,000 Forgery \$500,000 Securities \$500,000 Fidelity \$500,000 Transit Robb \$500,000 Computer Systems Fraud \$500,000 Counterfeit Currency \$10,000 Deductible	Travelers
68047732	Directors and Officers	10/30/08-10/30/09	\$3,000,000 Aggregate \$50,000 Deductible	Chubb "Federal"
82075226	Professional Liability	10/30/08-10/30/09	\$5,000,000 Aggregate \$500,000 Deductible	Chubb "Federal"
FF 1U39893	Commercial package	8/26/08-09	\$1,000,000 ea Occur \$2,000,000 aggregate	One Beacon "Employers Fire"
FF 1U39893	Commercial Umbrella Liab	8/26/08-09	\$4,000,000 ea Occur \$4,000,000 aggregate \$10,000 retention	One Beacon "Employers Fire"

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Note: This is a snapshot of active policies and their lead limits of insurance. This is in no way representative of all respective policy limits, terms and conditions.

Describe any special strengths, insight or innovativeness, which may be applicable to your firm but not requested herein.

Our overall strengths and limitations include:

No Conflicts of Interest

We view our role as a non-voting, hidden trustee. We cannot fulfill this role if we have any conflicts of interest. For example, we cannot be objective regarding making recommendations for manager and custodian selections if we have any type of relationship with those providers. Therefore, we do not solicit the sales or products of any money management firms, nor do we have any ownership or cross-ownership with any other financial firm.

We derive 100% of our revenue from cash fees generated from providing consulting services to our clients. We do not derive any revenue or profits from commission recapture programs.

Ethics

RVK prides itself on its reputation of maintaining high ethical standards while working with clients, investment managers, and employees of the firm. As a privately held company, we are more sensitive to our reputation than to our bottom line.

Proactive Consulting

We believe in making proactive recommendations to our clients rather than supplying information and data that leads to reactive investment decisions. Our performance measurement approach focuses not only on providing the data to clients, but also on interpreting the data and making recommendations.

Team Approach to Consulting

We strongly believe in a team approach to consulting rather than a lone consultant approach. This not only allows clients to benefit from the experience and ideas of more than one individual, but it also ensures that you can easily contact members of your service team. Having a team of senior consultants and an assigned analyst familiar with your account ensures that a professional is always available to assist you. The team approach also facilitates an opportunity for clients to benefit from the knowledge base of all of our consultants. When our senior consultants prepare major reviews and recommendations for clients, or work on special projects for clients, they will frequently ask colleagues for a "peer review" of the presentation. This process aids in the maintenance of a consistent approach to problem analysis and resolution.

We also believe it is important to assign clients a service team that specializes in that client's specific plan(s), as there are substantial differences between corporate plans, public plans, defined contribution plans, and so forth. When responding to a Request for Proposal, we design a service team composed of professionals who have direct experience with your plan type(s).

Commitment to Client Service

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Our firm has a low client turnover rate and a large number of long-term client relationships. We have grown the business largely through client referrals and the reputation of the firm. Our top priority is providing quality service to our clients.

Renovation vs. Tear Down

The cost of manager and security transitions can be expensive, so we spend time evaluating what is working well in a portfolio and what needs fixing. We renovate portfolios rather than tear them down and eliminate all the managers/providers in place.

Recommendations-Oriented

We view ourselves as co-fiduciaries in all the relationships we have with our clients. We believe that we differentiate ourselves from our competition because we are recommendations oriented. While other firms may hesitate to make recommendations because they are reluctant to fulfill the fiduciary responsibility, we consider it a vital part of our consulting philosophy and a way in which we add value. Our role as a fiduciary is narrowly defined, however, since we do not have discretionary authority to manage the assets. We provide information and make recommendations to our clients, but the actual investment decision rests with each client.

Stability of Organization

The individuals who will service your account are either principals or prospective principals of the firm. In compensating consultants, we strongly believe that ownership is one of the essential components for retaining talented senior professionals. In a service-oriented business, talented employees will usually move on to better opportunities. However, talented, committed owners will remain and grow the business. All of our consultants have strong motivation to remain with RVK due to its ownership structure.

Executive Summary with Recommendations

Upon a client's request, each performance report we deliver can contain an Executive Summary that entails the salient points of our verbal report presentation. This summary details our recommendations based on a thorough analysis of the client's investment program.

Education and Training

RVK considers client education an important element in a productive consulting relationship. We strongly believe that one of our fundamental roles as a consultant is to provide education at all levels: Board members/Trustees, pension staff, and plan participants. One of our key goals in performance reporting and other activities is to ensure that our clients have the right tools to make the important decisions needed to oversee the asset base for which they are responsible. To this end, we assist many of our clients with customized educational seminars and training sessions.

Customized Research and Operational Consulting

One of RVK's most unique capabilities is our skill in addressing client problems or issues that do not fall squarely into the most common functions executed by investment consulting firms.

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In addition to those listed above, we would consider ourselves leaders in the consulting industry for many reasons. Our advantage begins with the background and experience of our staff. For example, RVK's professional staff includes:

- Three senior consultants with experience as Chief Investment Officer or Director of Investments in both public and private funds ranging from \$1 and \$50 billion.
- Two senior consultants with experience as trustees on public and private funds.
- One senior consultant with experience as an Executive Director of a state pension plan.
- One consultant with experience in management consulting to asset management companies.

PLEASE SEE TAB 6 FOR ATTACHMENT D - CONFLICTS OF INTEREST QUESTIONNAIRE.

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6.2.3.

Proposed Fees:

Our retainer covers virtually *all* proposed consulting services including travel. We typically do not itemize our fee or quote hourly rates for retainer clients because doing so could create a misalignment of consultant and client interests. Our general retainer fee is just that: It is designed to cover all investment consulting services our clients may need rather than providing RVK implicit incentives to perform more lucrative, fee-based services more often than necessary in order to generate additional revenue from the client. We believe that our comprehensive retainer fee policy simplifies the consulting relationship and allows for a more appropriate alignment of interests.

Our general retainer fee for all services would be an all-inclusive retainer of \$135,000 annually. This covers all proposed services, including travel. This also includes all manager searches and evaluation, RFP assistance, trustee education, and every other duty within the purview of the general retainer investment consultant.

Furthermore, our fee is guaranteed for three years. After three years we would propose that our fee reduce to \$120,000 annually, and also be adjusted annually by 3% or CPI, whichever is greater.

Should PWCPS wish us to execute any special assignments clearly remote from the duties of a general retainer consultant, we would work with you to develop scope and submit a transparent cost proposal with favorable pricing given the general retainer mandate or conduct a search for a third party specialist if we believe that is the best way to assure the success of the relationship.

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6.2.4.

**PLEASE SEE TAB 6 FOR ATTACHMENT C – CONTRACTOR DATA SHEET
(REFERNCES).**

7. Amendment to this statement's policies and objectives, and/or other changes to the investment structure of the Plan;
8. To review the effectiveness of ongoing investment education provided to Plan participants by the Plan's current 403(b) service provider; and
9. To determine whether there have been any changes in the Plan's circumstances, needs and/or objectives.

Meeting or communications can occur more frequently if significant concerns arise about the investment strategy or performance, or if key changes occur in the managers' personnel or organizational structure. Should PWCPS believe at any time that changes, additions, or deletions to either the Plan's investment options, or this statement are advisable, it will implement those changes on a timely basis.

VII. ACKNOWLEDGMENTS

PWCPS will review the Plan's investment performance at least annually. The overall Investment Policy of the Plan will be reviewed annually and on an as needed basis. At its sole discretion, PWCPS may choose to make additional options available or to eliminate any option from the Plan or to otherwise exercise its duties to the Plan. This policy shall remain in effect until changed or modified in writing.

Metropolitan Washington Council of Governments Rider Clause

USE OF CONTRACT(S) BY MEMBERS COMPRISING THE METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS PURCHASING OFFICERS' COMMITTEE.

- A. If authorized by the offeror(s), resultant contract(s) will be extended to any or all of the listed members as designated by the bidder to purchase at contract prices in accordance with contract terms.
- B. Any member utilizing such contract(s) will place its own order(s) directly with the successful contractor. There shall be no obligation on the part of any participating member to utilize the contract(s).
- C. A negative reply will not adversely affect consideration of your bid/proposal.
- D. It is the awarded vendor's responsibility to notify the members shown below of the availability of the Contract(s).
- E. Each participating jurisdiction has the option of executing a separate contract with the awardee. Contracts entered into with a participating jurisdiction may contain general terms and conditions unique to that jurisdiction including, by way of illustration and not limitation, clauses covering minority participation, non-discrimination, indemnification, naming the jurisdiction as an additional insured under any required Comprehensive General Liability policies, and venue. If, when preparing such a contract, the general terms and conditions of a jurisdiction are unacceptable to the awardee, the awardee may withdraw its extension of the award to that jurisdiction.
- F. The issuing jurisdiction shall not be held liable for any costs or damages incurred by another jurisdiction as a result of any award extended to that jurisdiction by the awardee.

OFFEROR'S AUTHORIZATION TO EXTEND CONTRACT:

YES NO JURISDICTION

YES NO JURISDICTION

- Alexandria, Virginia
- Alexandria Public Schools
- Alexandria Sanitation Authority
- Arlington County, Virginia
- Arlington County Public Schools
- Bladensburg, Maryland
- Bowie, Maryland
- Charles County Public Schools
- College Park, Maryland
- Culpeper County, Virginia
- District of Columbia
- District of Columbia Courts
- District of Columbia Public Schools
- District of Columbia Water & Sewer Auth.
- Fairfax, Virginia
- Fairfax County, Virginia
- Fairfax County Water Authority
- Falls Church, Virginia
- Fauquier County Schools & Government, Virginia
- Frederick, Maryland
- Frederick County, Maryland
- Gaithersburg, Maryland
- Greenbelt, Maryland
- Herndon, Virginia
- Leesburg, Virginia
- Loudoun County, Virginia
- Loudoun County Public Schools
- Loudoun County Sanitation Authority
- Manassas, Virginia
- City of Manassas Public Schools
- Manassas Park, Virginia
- Maryland-National Capital Park & Planning Comm.
- Metropolitan Washington Airports Authority
- Metropolitan Washington Council of Governments
- Montgomery College
- Montgomery County, Maryland
- Montgomery County Public Schools
- OmniRide
- Prince George's County, Maryland
- Prince George's Public Schools
- Prince William County, Virginia
- Prince William County Public Schools
- Prince William County Service Authority
- Rockville, Maryland
- Spotsylvania County Schools
- Stafford County, Virginia
- Takoma Park, Maryland
- Upper Occoquan Sewage Authority
- Vienna, Virginia
- Virginia Railway Express
- Washington Metropolitan Area Transit Authority
- Washington Suburban Sanitary Commission
- Winchester, Virginia
- Winchester Public Schools

R.V. Kuhns & Associates, Inc.

Vendor Name

CONTRACTOR DATA SHEET

1. **QUALIFICATION OF OFFEROR:** The Offeror shall have the capability and the capacity in all respects to fully satisfying all the contractual requirements.
2. **YEARS IN BUSINESS:** Indicate the length of time the Offeror has been in business providing the services in this solicitation:
23 Years 11 Months.
3. **REFERENCES:** Offerors shall provide a listing of at least five (5) references for which the company has provided specified services of the same or greater scope within the last three (3) years. Refer to Section 7.2.2. **PWCS cannot be a reference.**

1.	Customer Name: San Francisco Bay Area Transit	Address: 300 Lakeside Drive, 20th Floor Oakland, CA 94612
Contact Name Mr. Peter Horikoshi		Contact Title Supervisor Human Resource Programs
Phone Number: 510.464.7526		Fax No. 510.464.6254
Email Address: phoriko@bart.gov		
2.	Customer Name: Chicago Public Schools	Address: 125 S. Clark Street-14th Floor Chicago, IL 60603
Contact Name Mr. Dale Moyer		Contact Title Director Compensation Management
Phone Number: 773.553.1210		Fax No.
Email Address: dmmoyer@cps.k12.il.us		
3.	Customer Name: California Department of Personnel Admin.	Address: 1800 15th Street Sacramento, CA 95811
Contact Name Carrie Pierce		Contact Title
Phone Number: 916.324.9355		Fax No. 916.327.1885
Email Address: carriepierce@dpa.ca.gov		
4.	Customer Name: Memphis City Schools	Address: 2597 Avery Avenue Memphis, TN 38112
Contact Name Ms. Cerita Butler		Contact Title HR Operations Manager
Phone Number: 901.416.0228		Fax No.
Email Address: butlerc@mcsk12.net		
5.	Customer Name: University of Oklahoma	Address: 905 Asp Avenue Norman, OK 73019
Contact Name Mr. Julius Hilburn		Contact Title Director, Office of Human Resources
Phone Number: 405.325.5647		Fax No.
Email Address: jhilburn@ou.edu		

*As a professional courtesy to RVK and its above named clients, please notify us prior to contacting our references.

POTENTIAL CONFLICT OF INTEREST - QUESTIONNAIRE

- | | |
|----|--|
| 1. | Do you or a related company have relationships with fund managers that you recommend, consider for recommendation, or otherwise mention to the plan for consideration? If so, describe those relationships:

No . |
| 2. | Do you or a related company have contractual or other similar relationships with record keepers or administrators or receive fees from those sources? If so, describe those relationships and state the amount/s of annual fees.

No . |
| 3. | Do you or a related company receive any payments from fund managers you recommend, consider for recommendation, or otherwise mention to the plan for consideration? If so, what is the extent of these payments in relations to your other income?

No . |
| 4. | Do you have any policies or procedures to address conflicts of interest or to prevent these payments or relationships from being considered when you provide advice to your clients?

Yes. Please see TAB 9 for a copy of RVK's Code of Conducts and Ethics Policy. |
| 5. | If you are the successful Contractor, will you acknowledge in writing that you have fiduciary obligations as an investment advisor to the plans while providing advisory services we are seeking? Will you sign a PWCS contract, which makes you a co-fiduciary?

Yes . |

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RVK Proposed Contract Changes/Comments

9. SPECIAL TERMS AND CONDITIONS

9.9 INSURANCE:

By signing and submitting a proposal under this solicitation, the Offeror certifies that if awarded the contract, it will have the following insurance coverage at the time the work commences.

Additionally, the Offeror will maintain these insurance coverage's during the entire term of the contract and that all insurance coverage will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission. During the period of the contract PWCS reserves the right to require the Contractor to furnish certificates of insurance for the coverage required by PWCS and the Commonwealth of Virginia as indicated below:

9.9.2. Employers Liability \$100,000.

RVK Response: RVK is in the process of acquiring Employers Practice Liability Insurance, which will fully meet the stipulated requirements. RVK anticipates that it will have this insurance in place by the end of November.

9.17. **PROPOSED FEES:** Negotiated fees shall be in the form of firm fixed fees throughout the contract.
Hourly rates shall include salary, benefits, profit, and all other expenses for overhead, insurance,equipment,etc.

RVK Response: RVK's general retainer fee is all inclusive. All of the business expenses listed in Item B are part of our retainer fee.

35. TERMINATION FOR CONVENIENCE:

P. 11

PWCS reserves the right to cancel and terminate any resulting contract, in part or in whole, without penalty, whenever the Supervisor of Purchasing determines that such a termination is in the best interest of PWCS....

RVK Response: RVK's standard terms include reciprocal rights of termination, with a termination period of 30 days