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Employee satisfaction.



WILLIAMSON
COUNTY

1848

May 16, 2012

FINANCIAL CONSULTANT FOR DEFERRED COMPENSATION 457(b) PLAN





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Retirement
Programs
Nationwide
Since 1981

May 15, 2012

Jonathan Harris
Williamson County Deputy Purchasing Agent
301 SE Inner Loop, Suite 106
Georgetown, TX 78626

**RE: RFP Response – FINANCIAL CONSULTANT FOR DEFERRED COMPENSATION
457(b) PLAN**

Dear Mr. Harris:

Cafaro Greenleaf is pleased to provide our proposal for providing Retirement Plan Consulting Services to the County of Williamson 457 Plan. We are ideally suited to perform the services contemplated in this request for proposal, as consulting to retirement programs nationwide while acting as co-fiduciary, is our primary business concern. Cafaro Greenleaf has extensive experience and expertise in this area, and maintains a wholly unbiased and objective approach as independent registered advisor and consultant. All services performed will be executed and delivered by Senior Consultant and Principal level advisors, and true leaders in the retirement industry.

The Cafaro Greenleaf main office and mailing address is:

216 Maple Avenue
Red Bank, NJ 07701

Our New York City office is located at:

420 Lexington Avenue, Suite 300
New York, NY 10170

The following will be your primary contacts whose biographies can be found in this proposal.

Jamie Greenleaf – *Partner/Lead Consultant* Stephen Dopp – *Senior Investment Analyst*

Cafaro Greenleaf will acknowledge, in writing, as named fiduciaries on the plan. As a result of having a sole focus in pension plans, every one of your servicing team has been awarded their Accredited Investment Fiduciary (AIF®) awarded by the Center for Fiduciary Studies.

Please direct all questions regarding this proposal to me who hereby; commits the firm to perform the services outlined in this proposal, attests to the firm's ability to provide the services requested and contained herein, confirms the accuracy of the data we have provided, and is duly authorized to sign this proposal and commit Cafaro Greenleaf to a contract with the County.

Cafaro Greenleaf will work continuously and diligently to meet and exceed your expectations, and deliver the most effective solutions to maximize your Plan's value in attracting and retaining competent employees, and helping to optimize their financial well-being in retirement.

We are thrilled for the prospect of working with Williamson County.

Thank you for the opportunity.

Best Regards,

Jamie D. Greenleaf, AIF
General Partner / Principal
jgreenleaf@cafargreenleaf.com

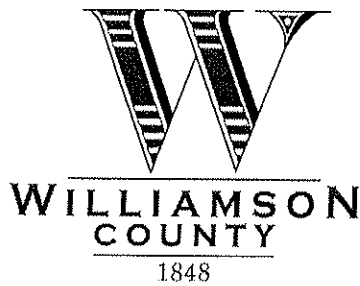
800.401.4830
732.530.8165 F
216 Maple Avenue
Red Bank, NJ 07701



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Response to Request for Proposal



FINANCIAL CONSULTANT FOR DEFERRED COMPENSATION 457(b) PLAN

RFP NUMBER: 12RFP00009

A. Firm Qualifications and Experience

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

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.),

Cafaro Greenleaf is uniquely qualified to perform RFP services for retirement plans.

For over 30 years, we have been recognized experts in the retirement plan space and have performed hundreds of Requests for Proposals. We believe that the task of performing an RFP requires a unique understanding of the plan trustees and plan participants while having the industry leverage to negotiate on behalf of our clients.

Our RFP process starts as a "blind" pricing exercise in which the client and the providers are given only quantitative plan data in order to determine a *required revenue* target. Doing so eliminates the soft dollar fee arrangements that many providers will try to capture on the back end. Depending on plan size, we will shop out the services to as many providers that we feel would have the

capability to adequately support the unique needs of the retirement plan. If providers are not licensed in the state, or should there be circumstances that warrant disqualification, the provider will not be included.

The second phase of the RFP process revolves around a comprehensive qualitative analysis of the Record Keeper/TPA in order to try to identify synergies with the Plan Sponsor and its participants. We will encourage the committee to be involved this process as much as they so choose. In this process we look to build a list of questions that will reflect the beliefs and corporate culture of the plan sponsor. This may be to identify commonalities or natural fits between the organizations being prospected and you as a plan sponsor. Other qualitative things such as educational requirement for service staff, physical location of servicing team, investment capabilities, and ratio of client services team to clients will be identified and included in this worksheet.

It is important to note that we take great consideration in this process. Just because a provider may "check the box" does not mean that they are uniquely qualified to service your plan. Often times we lean on our 30+ years of experience to dig deeper than a template RFP output. Cafaro Greenleaf has a very unique position in the industry where we have direct lines to the top of these organizations and understand the qualifications (or lack thereof) of Record Keeping and Third Party Administrator shops.

After the pricing and RFP response process, we will work with the committee to identify 2-4 organizations to have come and deliver a formal presentation to the board. These are typically done in a 45 minute presentation/15 minute Q&A format but this is not an absolute. In preparation for these presentations, Cafaro Greenleaf will typically meet with the team from each organization for a prep meeting in which we will give them each a list of all issues that need to be covered during their 45 minute presentation. We feel it is important to identify the best fit for your organization and for your plan and not just the team that gives the best presentation. For this we will create a scoring system for each group and weight it according to what we feel is most important to the county.

After these "finals" presentations have been completed then we will identify the most appropriate fit for the County. Cafaro Greenleaf will take as much of this process on our backs as possible but will require some cooperation from the committee to get the transition completed.

ii. Contract negotiations with successful vendors,

Cafaro Greenleaf maintains very strong negotiating power because of the breadth of our book of business across various platforms. Oftentimes we are negotiating on behalf of our entire book of business and not just one plan. Additionally, vendors recognize our experience and hands-on approach and will carve out costs that they would have otherwise baked into their revenue targets. Vendors that we do not have an active relationship with will price as competitive as possible in an attempt to put their best foot forward to work with our team.

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

Once we have identified the organization Cafaro Greenleaf will work with the new service provider closely throughout the entire transition process. This will be from development of timelines to outlining roles and responsibilities and establishing communication strategies to participants. We

will also schedule weekly conference calls to ensure that the transition is going smoothly and address any outstanding concerns from any parties.

The county will have a direct contact, Barbara Meyer, from Cafaro Greenleaf who will coordinate the process from beginning to end. We will also assign a single point of contact with the new vendor to work with Barbara during this process.

iv. Continuing and periodic investment review services,

One of the organizational strengths of Cafaro Greenleaf is leveraging our proprietary investment reporting system to generate robust, comprehensive & industry leading analysis on your investments. Our holistic approach to plan investment design has been recognized as state-of-the-art and innovative from our peers.

We believe that there are many qualified firms that have the capabilities to generate an impressive quarterly report. Very few, however, have the wherewithal to incorporate stock data with qualitative analysis, a comprehensive due diligence process & a holistic approach to fund menu construction as Cafaro Greenleaf. We utilize this approach along with leveraging behavioral finance data and the growing library of behavioral studies, to create a unique investment *process* for the county.

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

Cafaro Greenleaf has a sole focus in retirement plans. We have been recognized experts in this industry for 30 years and we know what we excel at. We do not engage in any retail, wealth management, insurance services or any other outside business as this may be construed as a potential conflict of interest.

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

Currently, the team that would be assigned the county manages 60 ongoing retirement plans and approximately \$1.2 billion dollars in retirement plan assets. In addition, we have several large organizations that engage our services similar to the work in the Scope of Services of this RFP. This project work constitutes about 10-20% of our gross revenues, and several billion dollars in plan assets.

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.

Recently, Cafaro Greenleaf was retained to provide a very similar service for Middletown Township, New Jersey.

We were engaged by the committee to perform a comprehensive Request for Proposal in order to consolidate the three vendors that they currently had into one exclusive platform. Our goals were to consolidate vendors, unwind legacy products, reduce administrative burden to the town and enhance the participant experience; all while reducing total plan costs to the township.

We performed our process as described in detail in sections 2(i) of this questionnaire. While the timeline has yet to be completed due to restrictions in legacy assets, we were able to accomplish all of our goals as efficiently and timely as possible. We have provided contact information later in this proposal for Mayor Anthony Fiore, with whom we continue to work closely with to monitor progress of this process.

1. **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.

Cafaro Greenleaf is continuing to grow as an organization. Should we ever feel that our ability to maintain a consistent level of superior service was compromised due to workload, we would promptly add resources to in order to accommodate this deficit.

2. **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 consultant 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,



Jamie D. Greenleaf, AIF®
General Partner / Project Manager

A recognized expert in the retirement plan space, Jamie has been with Cafaro Greenleaf for 18 years and a principal and partner since 1995. She holds a B.A. in Business

Administration from Delaware Valley College, is a Registered Financial Advisor with Series 7, 24, 63, and 65, is Life Insurance licensed, and has earned the Accredited Investment Fiduciary® (AIF®) professional designation awarded by the Center for Fiduciary Studies. Jamie has been a recognized Vice President, Retirement Plan Advisor with UBS Financial and a Vice President, Retirement Advisor with Prudential Securities, consistently ranking among the top advisors and producers at both firms. Jamie was named one of the *TOP 300 Most Influential Advisors in Defined Contribution* by *401k Wire™* and has presented at the national *Mid-Size Pension Management Conference*. She recently was named one of *planadvisor™* magazine's *Top 100 Retirement Plan Advisors* in the nation. She has provided consulting services in all areas of plan management and oversight, including plan design, fees and services benchmarking, investment management selection and monitoring, fiduciary and regulatory compliance, investment policy design, and financial education to many public entities and Fortune 500 and other publicly traded companies. These clients include such well-known names as *McGraw Hill*, *Avis Budget*, *Guardian Insurance*, and *The Body Shop*; as well as the *New Jersey Highway Authority* and *the Uniformed Professional Fire Fighters Association of Connecticut*, on the public side.

Jamie is known for her extensive knowledge and passion for the Pension Industry, and her keen ability to guide, support and educate Plan Trustees, Plan Sponsors, and Plan Participants and members alike.

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.



Dorann Cafaro, AIF®, PRP®
Founder, Senior Consultant

Dorann is the firm's founder, with roots going back as far as 1981. She also is among the founders for National Retirement Partners, a leading national network of independent retirement experts. Dorann has been widely nationally recognized throughout the retirement industry. She was named Retirement Advisor of the Year by PLANSponsor magazine, was named by 401k Wire as one of the 50 most influential people in the 401k retirement industry, is a frequent and keynote speaker on the retirement industry at

national conferences and seminars, has provided retirement education and consulting services for Fortune 500 companies, and has testified in front of the USDOL. Dorann was inducted into the national *Hall of Fame* for Retirement Advisors in 2011.

Dorann has been a Regional Director of Retirement Services for Prudential Investments, a Corporate V.P. and National Director of Retirement Planning for PaineWebber, and a Senior Vice President of Marketing for a leading money management firm. She holds a B.S. from Marquette University in mathematics, and is Series 7, 8, 63, 65 and Health and Life licensed. With 30 plus years in the financial industry, Dorann is recognized for her unique and unbiased consulting advice, and genuine care for the financial well-being of the retirement plan, sponsor, and above all, members and participants.



Stephen Dopp, AIF®
Consultant/Investment Analyst

Stephen Dopp is a recognized expert throughout the retirement plan industry for his knowledge in the Defined Contribution and Defined Benefit marketplace.

Stephen joined Cafaro Greenleaf in 2011 as Advisor and Investment Analyst. Prior to joining Cafaro Greenleaf Stephen held a position at Newport Capital Group where he served as Vice President for a division that oversaw more than \$1 billion dollars in retirement plan assets. Stephen spent the first 6 years of his career as a financial planner where he focused on plan design and portfolio construction of defined contribution plans in the public, private and non-profit marketplaces. Stephen is frequently asked to be a panelist or keynote speaker at retirement plan events and has delivered education and investment commentaries to audiences nationwide.

Stephen is a Registered Financial Advisor with Series 7, 63, and 65, is Life and Health Insurance licensed, has earned the Accredited Investment Fiduciary® (AIF®) professional designation awarded by the Center for Fiduciary Studies, and is a level I candidate for his Chartered Financial Analyst (CFA®) Designation.



Wayne K. Greenleaf Jr., AIF®
Managing Partner / Principal

Wayne joined the firm as an equity partner in 2007, with the primary focus of improving client services through infrastructure development, technology advancement, strategic partnering, and overall company expansion. He has earned the Accredited Investment Fiduciary® (AIF®) professional designation, awarded by the Center for Fiduciary Studies. An entrepreneur by nature, Wayne has an extensive and storied business career and has received both local and national recognition for his accomplishments. His first business, which he founded and served as President for 17 years, was named by *Inc.*® magazine as one of the *fastest growing private companies in the country in its annual listing of the Inc. 500*. He has been the focus of numerous local and regional articles on his various business endeavors and successes. Wayne's career achievements as a top employer were further acknowledged by his nomination and appointment to the public New Jersey Workforce Investment Board, a group of state business leaders influencing policy and methods of labor and employment development throughout the state. In 2009, Wayne was named one of NJBIZ™ Magazine's *Forty Under 40* Award winners, honoring the forty most dynamic and professionally committed business leaders under the age of 40 throughout the state.

3. **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.

Cafaro Greenleaf has never been the subject of any disciplinary action, administrative proceedings or malpractice claims in our 30 year history.

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

Cafaro Greenleaf would perform the services in-house. In certain circumstances, we may utilize an actuarial firm or ERISA attorney at no additional expense to the County.

5. **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.

There is no past or pending litigation or disputes relating to the work described herein within the last 5 years.

6. **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.

Please see attached financial status letter

7. **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 copy of our form ADV - Parts I & II.

8. **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 insured's.

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 or 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 insurance 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.

Cafaro Greenleaf maintains the required insurance above, and will comply with the terms upon the award of a contract with the County.

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.



Middletown Township, NJ

Mr. Anthony Fiore, Mayor

Ph. 973-508-9383

TFiore@middletownnj.org

Consulting and Advisory Services

457(b) DC Plan – Consolidate Vendors / RFP

2011 – Present : Approx. \$10mm Plan Assets



UPFFA of Connecticut, West Hartford, CT

Peter S. Carozza, Jr., President

Ph. 860-953-3200

pcarozza@aol.com (or) upffa@snet.net

New Plan - Carve Out Members from Existing Municipal Plans throughout the state

2011 – Present : \$100mm assets (proj.)



DB Schenker

(Formerly) BAX Global, Irvine, CA

Ms. Laura Beckmeyer, Benefits Manager

Ph: 914-366-7261

lbeckmeyer@stinnesusa.com

RIA & Fiduciary Services – DC Plan

1998 – Present : Plan Assets: \$205 MM

BRENNTAG

Brenntag North America

Mr. Mark Andriate

Director, Human Resources

Ph: 610-916-3874

mandriate@brenntag.com

Advisory & Fiduciary Services – DC Plan

2001 – Present : Plan Assets: \$285 MM



Arris Group, Inc

Ms. Vicki Brewster, VP Human Resources

Ph: 678-473-8690

vicki.brewster@arris.com

Complete RIA/Consulting/Fiduciary Services

2002 – Present : Total Plan Assets: \$180 MM

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.
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.

There has been a paradigm shift as it relates to 457 multiple vendor options versus a single vendor approach. Going back to the infancy stages of 457(b) and 403(b) plans, the most convenient products to use were the insurance based annuity products due to the built in tax-advantages of these types of contracts. As these plans evolved, they began to resemble qualified corporate retirement plans like the 401(k) products that we see today. We truly believe that in the near future, multiple vendor strategies will be obsolete.

For one, using multiple vendors dilutes purchasing power. You can collectively bargain on behalf of a larger asset when you combine them all. All providers price their plans based on total assets, average account balance, & plan complexity. You can eliminate two of the three by migrating to a single vendor approach.

Secondly, and more importantly, is rooted in fiduciary duties of the committee and the consultants. Our ultimate goal is optimizing participant outcomes and plan success. Behavioral finance studies have time and again proven that you can influence participant behavior by investment menu design, targeted communication and giving participants the tools and education necessary for success.

The Record Keeper/TPA should be the tool box used to implement these initiatives, not the engine; and many providers offer overlapping services. We have found that multiple vendor strategies

create confusion amongst participants and the result of confusion is often inaction. Another reason to choose a single vendor strategy is cultural. While these days vendors in the 401(k) market and 457(b) market are often used interchangeably, the roots of their organizations are very different. Providers that have a 401(k) background are typically more evolved in terms of open architecture, fee transparency and participant experience. Many of their technological initiatives are directed towards enhancements to participant experience, whereas multivendor organizations need to invest significant resources in record keeping messy plan designs.

We also feel that many of the revenues of these organizations are generated through ancillary sales by on-site advisors. While we are strong advocates of education and participant advice, Cafaro Greenleaf will provide unbiased advice to plan participants and will not sell any products to your employees.

- ii. Describe your firm's views on understanding and incorporating the various aspects of behavioral finance in developing a successful deferred compensation program.

The retirement plan community has done a terrific job focusing on behavioral finance studies and a less than perfect job implementing information that is uncovered. As mentioned in previous sections of this request, the ultimate goal as plan fiduciaries is maximizing participant outcomes. As thought leaders in the retirement plan community, Cafaro Greenleaf has implemented several strategies to leverage what we know about participant behavior. This can be through plan design, fund menu design and educational initiatives.

An example of thought leadership using behavioral finance would be through fund menu design. Our focus has always been to get the participant to think of themselves as **savers** and not investors. It's a simple concept that we have implemented when designing investment menus. If you strip the brand off of the product then it is conceptually more understandable. For instance, **PIMCO Total Return A**, would not mean much to a layman but simply **bond** might. So when communicating with participants or designing enrollment brochures, we would focus on bond as opposed to the brand name.

We also do our best to try to design communications that focus on risk and not returns. According to JP Morgan, the average investors return is 3.3% while an asset allocation portfolio would be over 7%. We feel this is because participants focus on returns more than risk. They elect the investment that has the best short term returns without much understanding of the risks involved. We feel if you incorporate the risk characteristics into the fund name, it may be an easier concept to understand.

We have attached an article written by our Senior Investment Analyst, Stephen Dopp, who focused on using behavioral finance to evolve the fund menu.

Fund Menu Design: Evolving the 401(k) Fund Menu

The retirement plan industry has done a terrible job evolving a 401(k) fund menu to the times, but who is to blame? I blame everyone....

Have you ever asked a factory worker what an Equity Income Fund is? I have. 401(k) plans were initially constructed to be employer sponsored supplemental saving programs. Let's start there. Most web tools, participant websites, industry articles and commentaries consistently refer to participants as *investors* and thus begins the paradigm flaw. Unscientifically, once plan participants hear themselves referred to as investors, 50% will walk away immediately, 20% will mention something about being broke all of the time, and 20% will talk about their friend who gets a 25-30% average annual rate of return investing in cheese danishes. Very few would be considered educated investors.

But one thing that many have been taught since they were young is the benefits of saving. Saving is conceptually more appealing and morally more satisfying than investing. Most importantly, saving is simple and easy to understand. One goal of participant education initiatives should always be to emphasize the importance of saving and not the allure of investing...

Breaking Through the Barriers

With that concept in mind, the fund menu should be built on simplicity and not convolution; easy to understand entry points for plan participants. This, of course, is much easier said than done...

The biggest obstacle is all of the moving parts. Fund availability, fund requirements, revenue targets, platform flexibility, Sponsor reluctance: all of these things make the transition a formidable task. As we all know, much as a Guinea Pig isn't a pig nor from Guinea; "open architecture" is neither open nor architecture. It basically tells me as an investment analyst one thing: It uses mutual funds. I wish that there was an easy explanation with how to attack this obstacle but under the current system there is not. "Required Revenue" should not be an if/then statement (*if you use our target dates, or if x is mapped into our Stable Value*) It should be a profitability measure. As a consultant, I get it...you need to make money just like everyone else. I'll take it a step further and say that a Plan Sponsor gets it. I have sat through enough finals presentations to see that it is hardly ever the cheapest provider winning the business; it is the provider with the best value proposition. Certainly fees are a consideration but I rarely see a Plan Sponsor choose a provider over a couple of basis points unless it is to break a tie.

The other obstacle that we consistently run into in our "*less is more*" initiative is the fact that when dealing with investment committees, you are typically dealing with the highly compensated executives and thus potentially more sophisticated investors who enjoy the benefits of a robust selection of fund options. Remember, you ARE (hopefully) a fiduciary and so your actions must be consistent with what's in the best interest of plan participants and not the executives. It is a difficult dynamic to navigate but hopefully you have gained the trust of your client and they understand your intentions. If the HCEs want access to individual oil stocks then let them do that in their IRA's....

Choosing the QDIA

Target Date funds have come under increased scrutiny in the past couple of years and rightfully so. What began as an innocent endeavor to simplify things for plan participants spiraled into an arms race for gathering assets and has become a catalyst for bitter arguments...Transparency, glide path construction, to vs. through: we all have differing opinions on the most prudent way to construct these new type of hybrid investments. The purpose of this paper is not to inject an opinion on what is the best method, but suffice it to say that while conceptually target date funds offer a single entry point for diversification and automatic features, investment companies need to lock themselves in a room and figure out the mess or the Department of Labor will attempt to do it for them.

If choosing Target Date Funds, consider using ten year increments as opposed to five. Remember *less is more*. This even applies to a single concept in the fund menu. We want to reduce the amount of boxes to check, not increase them...

My preference for target date funds is rooted in my oath as a fiduciary. This is not an absolute by any standard. Understanding the culture of a company or the demographics of the participants is paramount so this commentary is simply a generalization. One thing that target date strategies do not consider is risk tolerance of a participant. One thing that target risk strategies don't account for is time horizon. Research has consistently shown that the

most important factor when developing an asset allocation is time horizon and thus my affinity towards the target-date concept; but there are smarter people than me that would argue otherwise and the target date universe is still very much flawed.

The important thing to remember is that when evolving your fund menu, a large portion of assets are going to be driven to whichever option that you choose so make sure that you do your due diligence and document the process.

Laying the Foundation

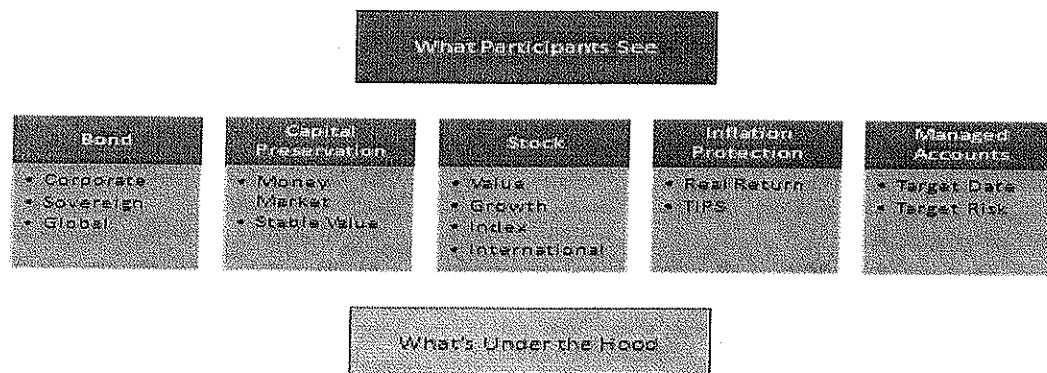
Because many start-up plans don't have consultants and are often in group annuity products or sold under the enduring promise of open architecture, there are too many investment options from inception. Having 3000 investment options on a plan level is a box checker and a sales tactic, but probably sews the seeds for the mess of complexity. How often do you look at a fund menu and there are 8 US Equity options, and they are all Large Growth.

Condensing the menu starts at the Sponsor level. If the decision maker drinks the proverbial Kool-Aid, then that trust will permeate through the rank & file. (The opposite also rings true). Come in with a plan and not just a concept. Have a proposed mapping strategy, develop a three year timeline, and address participant communication and education. Do the leg work prior to engaging the discussion and be prepared for objections. Most Plan Sponsors want to be heard. They want to inject their preferences and corporate culture into the investment option discussion and rightfully so. This may be the most important step in the process of evolving the fund menu.

Creating a timeline is often an important step as well. Moving from 40 investment options to 5 can be culture shock for the participants and a PR nightmare for Plan Sponsors. Instead of replacing underperforming funds, remove them. Consolidate the Mid-Growth and Large Growth into one single entry multi-cap growth option. Slowly begin to shape the investment lineup into fewer and fewer choices so there is no shock value to plan participants. Remember, this is an evolution and not an exercise. Even if the Plan Sponsor wants to transition overnight to a 5 option investment menu, tread lightly. Employee dissatisfaction will eventually reach the decision maker, and that frustration will trickle down to the consultant...

Choosing the Options

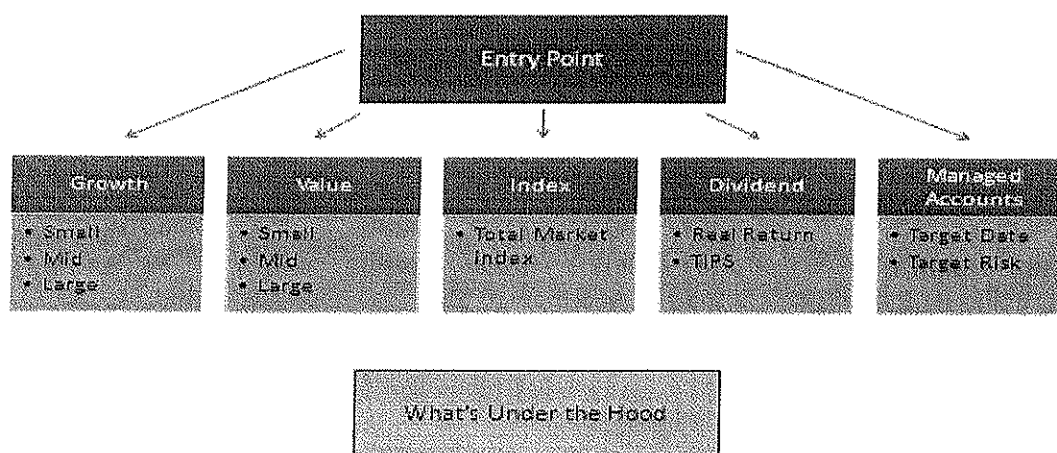
The question then becomes where is the end of the evolution? Choosing a platform that allows you as the consultant to customize the participant experience is important. If we can get out of the mind-set of registered products and think participant behavior, why not introduce the participants to the investment options using simple, easy to understand entry points. If they choose to look under the hood then so be it. Your job as a fiduciary is more important to the participant who knows nothing, than the participant who does and hopefully your value as a trusted consultant will be magnified by what people *don't see*.



This could be one mutual fund or a combination of several mutual funds, but asking that a participant to choose to put money into stock is much simpler than asking a participant to put money into the Blackrock Equity Income fund or the Franklin Rising Dividends fund....What do they do when they don't understand? Cash.Fixed. Things that they understand they trust. They may have a preconceived notion about stock but at least they have a notion. They have some level of understanding. Let's face it, a novice *investor* would take a look at 30 different stock funds and do what? They would choose the one that has performed the best over the last published period of time. They do not consider things like risk adjusted return or systematic factors or market capture.

By introducing the single entry point for stock, this allows participants to focus on the more important aspect of their retirement plan: **saving!**

There is no tried and true solution to creating an optimal entry point to differing asset classes. Another slightly more sophisticated equity design but consolidated in terms of choice would be something closer to:



These are, of course, just examples of what I see out in the marketplace and are probably on the extreme end of the bell curve and reflects more of what I envision the culmination of the evolutionary process.

Our first duty as a fiduciary is to establish a prudent process while our first duty as a consultant is to maximize participant outcomes. Using the behavioral finance data that our strategic business partners continue to publish only further reinforces the need for consolidation in order to maximize the participant experience. We need to take a step back and look at fund menu design from the perspective of the plan participant and not the Plan Sponsor. Most often, the whole menu is not equal to the sum of its parts and the average plan participant grossly underperforms the benchmark. This is a failure by the retirement community despite what I consider to be good intentions. This solution helps to maximize the participant experience, simplifies decision making and helps to maximize outcomes while adhering to our obligation as plan fiduciaries....

Stephen Dopp, AIF
Senior Investment Analyst
Cafaro Greenleaf

- iii. 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.

Cafaro Greenleaf will be named fiduciaries, in writing, should be awarded this project.

- iv. 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.

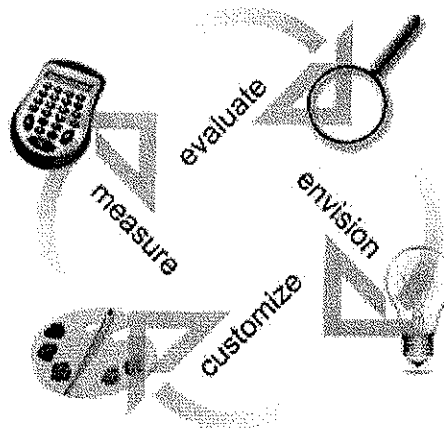
In general, we prefer to work on an open architecture platform that uses registered mutual funds or collective trust products instead of annuities. There are obvious portability issues and also we find that in most cases, group annuity contracts offer an extra layer of fees and can be restrictive in plan design and investment selection.

Cafaro Greenleaf has extensive experience in working with Plan Sponsors to unwind or terminate group annuity contracts. We are familiar with many of the products out there and have a keen understanding of strategies to unwind assets with minimal expense to the plan. Often these situations can be messy and it is important to align yourself with an expert in this area.

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

Cafaro Greenleaf holds itself to the highest standard. If each and every one of our clients does not receive the service or attention that they deserve, we will obtain whatever resources necessary in order to adhere to this standard.

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



Cafaro Greenleaf will be prepared to begin our process as soon as we are awarded the business. We will work as quickly as you would prefer in order to complete these processes and are willing to follow a rigid timeline at the request of the committee. In certain circumstances, we find that there are delays throughout the process either getting documentation from the current provider or conflicts with the committee's schedule.

The specific dates for completion of each task will be assigned during the implementation meeting with the County, but a typical timeline for a project like this would be as follows:

	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Ongoing
Cafaro Greenleaf is awarded the Williamson relationship									
Provide County with RIA contracts for review									
Set preliminary meeting to discuss the full scope of the process									
Collect all plan documents									
CG will complete plan wish list									
Complete a "blind RFP)									
Present findings to the County and determine finalists									
Finals Presentations									
Select TPA/Record keeper									
Ongoing RIA/Co-fiduciary support									

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

All of our clients receive the same level of expertise and service which is recognized throughout the retirement plan community as *Best in Class*. With that being said, we believe that every project and every situation is unique and because of that we recognize our need to be flexible within our proposal. Our innovative concepts and initiatives have been well documented throughout our industry and throughout this proposal.

Some other examples of thought leadership and project initiatives:

The Farfield Company

We took over as Plan Advisor for The Farfield Company a little more than one year ago.

The Farfield plan had been with the provider for 5-7 years and had not reviewed its contract from a fee standpoint, investment options, documents and upgrades that were now available to clients on the platform. We were able to enhance benefits offered without any additional cost to the plan sponsor through document design, bringing the documents to compliance with how they were administering the plan, opening the investment options to outside funds with lower expense ratios and better returns, creating an IPS, adding a guaranteed income product for their older employees to participate in, and performing a full round of education to all of their employees, thereby increasing awareness and participation. This was all accomplished without increasing plan expenses, and in fact while *saving* their employees money within their plan.

Please feel free to contact the Plan Sponsor at Farfield to learn more about how we have helped them improve their plan success in just the short time we have been working with them; Kathy Long #(717) 626-4781.

THE BODY SHOP.

Cafaro Greenleaf has been ongoing registered investment advisor and co-fiduciary to The Body Shop for over 15 years.

The Body Shop has over 7,000 employees in retail stores throughout the United States. Because they experience a large turnover rate with many entry level positions, their Defined Contribution plan continually fails ADP/ACP testing. Our plan design solution provided a matching formula allowing all Highly Compensated Employees to fully participate to their maximum allowable levels, while outsourcing more administrative services at a lower cost.

Please feel free to contact the Plan Sponsor at The Body Shop to learn more about how we have helped them improve their plan success over the many years we have been working with them; Donna McClellan #(919)554-8229

Below are some additional examples of innovative Plan design initiatives Cafaro Greenleaf has implemented across various clients.

- The increase of an automatic enrollment feature from 3% to 5% which not only increased participation deferral rates it also increased the percentage of participants who did not opt out of the Plan.
- The creation of an ERISA budget account to capture all available investment offsets; thus lowering cost of the plan recordkeeping and administration.

- Amending eligibility for employee deferral to immediate, while using one-year with 1,000 hrs for employer contribution within a Safe Harbor plan design; thus permitting their part-time employees to participate in the plan - without increasing cost.
 - Designing a matching contribution formula using an existing budget; to encourage an increase in deferral rates among participants.
 - Creation of a plan design tool that provides plan sponsors with the ability to consider a plan design that is driven by what they wish the plan to do for their valued employees.
5. Describe any significant or unique awards received or accomplishments made in previous, similar projects.

Client Testimonials – Cafaro Greenleaf has received many accolades and awards for our work



Defined Contribution 401k Plan / Approx. Total Plan Assets of \$40 Million

I have been especially pleased with the advice and counsel provided by Cafaro Greenleaf. Our investment committee meets at least once a year, and the independent assessment of fund performance is enlightening and certainly the unbiased input could not be provided by our plan administrator. We receive excellent suggestions and input on plan design changes as well as current regulatory changes which impact our plan. We are also able to have any internal communications reviewed by an industry expert to make certain that our communications are accurate and provide the latest information to our employees. I have personally found the independent assessment of our plan to be invaluable. Cafaro Greenleaf has become a trusted resource to guide us through the maze of regulations impacting 401(k) plans.

-John E. Warren, III, VP Worldwide Human Resources & Corporate Services



Defined Benefit & Defined Contribution Plans / Total Plan Assets of \$1.57 B

I have to give you credit for helping me figure out what I wanted to do. I learned so much working with you and was always impressed by your depth of knowledge. I truly admire your leadership style and your demeanor. Thank you for what you have provided me. Best wishes to you. - Aida



AVIVA Pension Plan & Defined Contribution Plans / Approx. Total Plan Assets \$215mm

It was terrific working with you through this process. Your expertise and insight was invaluable!
- Laurie

As I told the Pension and Benefit committee, you are the best consultant I have ever worked with! You truly added value to the process, a lot of value. If you ever expand into other areas (say bank accounts), let me know, I would love to work with you again.
- Brenda



Defined Contribution Plans / Total Plan Assets of \$205 Million

I truly value your advice and will stay put and wait it out. Thanks again.
-Donna Hanson, VP of Finance



Defined Contribution Plan / Total Plan Assets of \$15 Million

You were instrumental in helping me, someone who is new to 401k, get up to speed on what I need to do as Plan Administrator to maintain compliance with the plan and that you held my hand through the entire process. You are very helpful educating both current employees and employees that we bring on board through acquisition.
-Marq Brown, SPHR, Manager, Human Resources

ARQUEST, Inc. Defined Contribution Plan / Total Plan Assets of \$12 Million

We appreciate your company's follow up. This is the kind of service we have been missing on our plan, and I am glad that Kevin made the decision to work with your company.
-Matthew J. Rinaldi, President, CEO



I have worked with Cafaro Greenleaf Retirement Plan Advisors for several years. What sets them apart is a consistently unbiased commitment to putting the needs of their clients first. Both Dorann and Jamie have always demonstrated the integrity, expertise and commitment to helping their clients succeed that keeps them at the forefront of the industry. Cafaro Greenleaf epitomizes the type of retirement advisory firm by which all others will be measured. All of us at MassMutual consider it a privilege to help them deliver outstanding value and service to their clients.
-Jonathan Shuman, Managing Director Retirement Services



Diversified Investment Advisors partnership with Cafaro Greenleaf over the years has greatly enhanced our ability to provide plan sponsors and their participants discerning expertise, innovative solutions, and exceptional service. Diligent, knowledgeable, and responsible is how I view the Cafaro Greenleaf team of retirement plan professionals.

-Joe Masterson, Senior Vice President Chief Sales & Marketing Officer



The Cafaro Greenleaf group has provided vital feedback and insight that has helped to shape our business models, as well as the retirement industry landscape. Their commitment, expertise, and dedication to better outcomes for their clients align with our values and has given them a strong and positive reputation in the retirement marketplace.

-Jamie Kalamarides, Senior Vice President Institutional Full Service Retirement

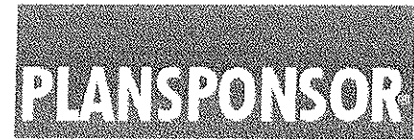


In a marketplace filled with salesmen, the professionals at Cafaro-Greenleaf break that mold. Over the years, I have found them to be very client driven and truly an advocate for their clients. By focusing on the retirement plan market, they bring a level of knowledge and experience which few others can match.

-John Pallotta III, Director of Sales, Retirement

Cafaro Greenleaf has been a Guest columnist with numerous articles in industry publications, and are frequent and sought after speakers at industry conferences including:





Cafaro Greenleaf is honored to have received considerable industry recognition

Cafaro Greenleaf has been widely recognized by others within our industry and has a strong market presence throughout the retirement plan arena. We are committed to internal growth at a controlled level. We continually look to grow as an organization while striving to maintain the personalized level of service that has remained a hallmark of Cafaro Greenleaf since its inception. Before engaging in a new client relationship, we make sure that we can service them on a level that exceeds the scope described in our agreement and will bring on additional resources as necessary.

Some of our recognitions, awards and accomplishments include:

- *PLANSPONSOR TOP 100 ADVISORS* recognizing “the contributions of the nation's best financial advisors in helping make retirement security a reality for workers across the nation, by *planadvisor* magazine.
- *PLANSPONSOR* magazine said about a recent Cafaro Greenleaf award: “While we looked to experience, commitment to the business, education, and employer referrals, at the outset, we wanted the award to focus on objective criteria that made a tangible impact on ensuring retirement security. More specifically, we looked for evidence of increased participation rates, enhanced rates of participant deferrals, improved asset allocations, and either reduced fees or expanded service levels—the criteria that have, for years, been most highly sought by plan sponsor respondents to our Defined Contribution Survey”
- *NJBIZ 40 UNDER 40* award honoring the 40 most dynamic and professionally committed business leaders under the age of 40 throughout New Jersey, by *NJBIZ* magazine.
- Named by *401kWire* as one of the industry's *50 most influential people*.
- Our Founder, Dorann Cafaro was inducted into the national *Hall of Fame of Retirement Advisors*, in 2011 by *PLANSPONSOR*.



Awarded National Retirement *Advisor of the Year* by *PLANSPONSOR*® magazine,
the industry's leading national journal



Named one of the country's *TOP 100 Retirement Plan Advisor's* for 2010 by *planadvisor*®



Named time and again among the industry's *most influential people* by 401k Wire® online.



Affiliate and co-founder of National Retirement Partners® (NRP),
a leading national network of independent *retirement experts*



Founding Member of the Institutional Retirement Income Research Council (IRIRC), whose overall mission is to support and facilitate the culture shift of retirement plans



Asked to Testify in front of the US Department of Labor's Advisory Council on retirement-related issues



Winner of NJBIZ™ Magazine's Forty Under 40 Award, honoring the 40 **most dynamic and professionally committed business leaders** under the age of 40 throughout NJ.

We were engaged by the committee to perform a comprehensive Request for Proposal in order to consolidate the three vendors that they currently had into one exclusive platform. Our goals were to consolidate vendors, unwind legacy products, reduce administrative burden to the town and enhance the participant experience; all while reducing total plan costs to the township.

We performed our process as described in detail in sections 2(i) of this questionnaire. While the timeline has yet to be completed due to restrictions in legacy assets, we were able to accomplish all of our goals as efficiently and timely as possible. We have provided contact information later in this proposal for Mayor Anthony Fiore, with whom we continue to work closely with to monitor progress of this process.

1. **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.

Cafaro Greenleaf is continuing to grow as an organization. Should we ever feel that our ability to maintain a consistent level of superior service was compromised due to workload, we would promptly add resources to in order to accommodate this deficit.

2. **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 consultant 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,



Jamie D. Greenleaf, AIF®
General Partner / Project Manager

A recognized expert in the retirement plan space, Jamie has been with Cafaro Greenleaf for 18 years and a principal and partner since 1995. She holds a B.A. in Business

Administration from Delaware Valley College, is a Registered Financial Advisor with Series 7, 24, 63, and 65, is Life Insurance licensed, and has earned the Accredited Investment Fiduciary® (AIF®) professional designation awarded by the Center for Fiduciary Studies. Jamie has been a recognized Vice President, Retirement Plan Advisor with UBS Financial and a Vice President, Retirement Advisor with Prudential Securities, consistently ranking among the top advisors and producers at both firms. Jamie was named one of the *TOP 300 Most Influential Advisors in Defined Contribution* by *401k Wire™* and has presented at the national *Mid-Size Pension Management Conference*. She recently was named one of *planadvisor™* magazine's *Top 100 Retirement Plan Advisors* in the nation. She has provided consulting services in all areas of plan management and oversight, including plan design, fees and services benchmarking, investment management selection and monitoring, fiduciary and regulatory compliance, investment policy design, and financial education to many public entities and Fortune 500 and other publicly traded companies. These clients include such well-known names as *McGraw Hill*, *Avis Budget*, *Guardian Insurance*, and *The Body Shop*; as well as the *New Jersey Highway Authority* and *the Uniformed Professional Fire Fighters Association of Connecticut*, on the public side.

Jamie is known for her extensive knowledge and passion for the Pension Industry, and her keen ability to guide, support and educate Plan Trustees, Plan Sponsors, and Plan Participants and members alike.

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.



Dorann Cafaro, AIF®, PRP®
Founder, Senior Consultant

Dorann is the firm's founder, with roots going back as far as 1981. She also is among the founders for National Retirement Partners, a leading national network of independent retirement experts. Dorann has been widely nationally recognized throughout the retirement industry. She was named Retirement Advisor of the Year by *PLANSponsor* magazine, was named by *401k Wire* as one of the 50 most influential people in the 401k retirement industry, is a frequent and keynote speaker on the retirement industry at

national conferences and seminars, has provided retirement education and consulting services for Fortune 500 companies, and has testified in front of the USDOL. Dorann was inducted into the national *Hall of Fame* for Retirement Advisors in 2011.

Dorann has been a Regional Director of Retirement Services for Prudential Investments, a Corporate V.P. and National Director of Retirement Planning for PaineWebber, and a Senior Vice President of Marketing for a leading money management firm. She holds a B.S. from Marquette University in mathematics, and is Series 7, 8, 63, 65 and Health and Life licensed. With 30 plus years in the financial industry, Dorann is recognized for her unique and unbiased consulting advice, and genuine care for the financial well-being of the retirement plan, sponsor, and above all, members and participants.



Stephen Dopp, AIF®
Consultant/Investment Analyst

Stephen Dopp is a recognized expert throughout the retirement plan industry for his knowledge in the Defined Contribution and Defined Benefit marketplace.

Stephen joined Cafaro Greenleaf in 2011 as Advisor and Investment Analyst. Prior to joining Cafaro Greenleaf Stephen held a position at Newport Capital Group where he served as Vice President for a division that oversaw more than \$1 billion dollars in retirement plan assets. Stephen spent the first 6 years of his career as a financial planner where he focused on plan design and portfolio construction of defined contribution plans in the public, private and non-profit marketplaces. Stephen is frequently asked to be a panelist or keynote speaker at retirement plan events and has delivered education and investment commentaries to audiences nationwide.

Stephen is a Registered Financial Advisor with Series 7, 63, and 65, is Life and Health Insurance licensed, has earned the Accredited Investment Fiduciary® (AIF®) professional designation awarded by the Center for Fiduciary Studies, and is a level I candidate for his Chartered Financial Analyst (CFA®) Designation.



Wayne K. Greenleaf Jr., AIF®
Managing Partner / Principal

Wayne joined the firm as an equity partner in 2007, with the primary focus of improving client services through infrastructure development, technology advancement, strategic partnering, and overall company expansion. He has earned the Accredited Investment Fiduciary® (AIF®) professional designation, awarded by the Center for Fiduciary Studies. An entrepreneur by nature, Wayne has an extensive and storied business career and has received both local and national recognition for his accomplishments. His first business, which he founded and served as President for 17 years, was named by *Inc.*® magazine as one of the *fastest growing private companies in the country in its annual listing of the Inc. 500*. He has been the focus of numerous local and regional articles on his various business endeavors and successes. Wayne's career achievements as a top employer were further acknowledged by his nomination and appointment to the public New Jersey Workforce Investment Board, a group of state business leaders influencing policy and methods of labor and employment development throughout the state. In 2009, Wayne was named one of NJBIZ™ Magazine's *Forty Under 40* Award winners, honoring the forty most dynamic and professionally committed business leaders under the age of 40 throughout the state.

3. **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.

Cafaro Greenleaf has never been the subject of any disciplinary action, administrative proceedings or malpractice claims in our 30 year history.

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

Cafaro Greenleaf would perform the services in-house. In certain circumstances, we may utilize an actuarial firm or ERISA attorney at no additional expense to the County.

RESTRICTED OR LIMITED UNTIL TEN (10) DAYS AFTER THE COMMITTEE HAS RECEIVED WRITTEN NOTICE AS EVIDENCED BY RETURN RECEIPT OF REGISTERED OR CERTIFIED LETTER.

Cafaro Greenleaf maintains the required insurance above, and will comply with the terms upon the award of a contract with the County.

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.



Middletown Township, NJ

Mr. Anthony Fiore, Mayor

Ph. 973-508-9383

TFiore@middletownnj.org

Consulting and Advisory Services

457(b) DC Plan – Consolidate Vendors / RFP
2011 – Present : Approx. \$10mm Plan Assets



UPFFA of Connecticut, West Hartford, CT

Peter S. Carozza, Jr., President

Ph. 860-953-3200

pcarozza@aol.com (or) upffa@snet.net

New Plan - Carve Out Members from Existing
Municipal Plans throughout the state
2011 – Present : \$100mm assets (proj.)



DB Schenker

(Formerly) BAX Global, Irvine, CA

Ms. Laura Beckmeyer, Benefits Manager

Ph: 914-366-7261

lbeckmeyer@stinnesusa.com

RIA & Fiduciary Services – DC Plan

1998 – Present : Plan Assets: \$205 MM



Brenntag North America

Mr. Mark Andriate

Director, Human Resources

Ph: 610-916-3874

mandriate@brenntag.com

Advisory & Fiduciary Services – DC Plan

2001 – Present : Plan Assets: \$285 MM



Arris Group, Inc

Ms. Vicki Brewster, VP Human Resources

Ph: 678-473-8690

vicki.brewster@arris.com

Complete RIA/Consulting/Fiduciary Services

2002 – Present : Total Plan Assets: \$180 MM

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.
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.

There has been a paradigm shift as it relates to 457 multiple vendor options versus a single vendor approach. Going back to the infancy stages of 457(b) and 403(b) plans, the most convenient products to use were the insurance based annuity products due to the built in tax-advantages of these types of contracts. As these plans evolved, they began to resemble qualified corporate retirement plans like the 401(k) products that we see today. We truly believe that in the near future, multiple vendor strategies will be obsolete.

For one, using multiple vendors dilutes purchasing power. You can collectively bargain on behalf of a larger asset when you combine them all. All providers price their plans based on total assets, average account balance, & plan complexity. You can eliminate two of the three by migrating to a single vendor approach.

Secondly, and more importantly, is rooted in fiduciary duties of the committee and the consultants. Our ultimate goal is optimizing participant outcomes and plan success. Behavioral finance studies have time and again proven that you can influence participant behavior by investment menu design, targeted communication and giving participants the tools and education necessary for success.

The Record Keeper/TPA should be the tool box used to implement these initiatives, not the engine; and many providers offer overlapping services. We have found that multiple vendor strategies