

III. Questionnaire

History and Ownership

- a. List your firm's complete name, address, telephone and fax numbers. Include the name and title of your proposed primary consultant and the location from which the consulting work will be done.

R.V. Kuhns & Associates, Inc. (RVK)

Headquarters:

Portland

R.V. Kuhns & Associates, Inc.
111 SW Naito Parkway
Portland, OR 97204
(503) 221-4200
Fax: (503) 802-6912

Regional Service Centers:

Seattle

R.V. Kuhns & Associates, Inc.
600 University Street
Suite 1725
Seattle, Washington 98101

Chicago

R.V. Kuhns & Associates, Inc.
190 South LaSalle Street
Suite 560
Chicago, Illinois 60603

New York City

R.V. Kuhns & Associates, Inc.
1 Penn Plaza
Suite 2128
New York, NY 10119

For questions regarding this submission, please contact:

Allison Grebe Lee
Director of Business Development
R.V. Kuhns & Associates, Inc.
Phone: (503) 802-6112
Facsimile: (503) 802-6912
E-mail: Allison.GrebeLee@rvkuhns.com

Our Portland, Oregon headquarters office will be the primary office servicing the account.

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

City of San Diego Defined Contribution Plans
Response to Request for Proposal

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.

We believe it is important to assign clients a service team that specializes in that client's specific plan(s). For the City of San Diego DC Plans we have put together a Primary Consulting Team, comprised of two Consultants, and an Associate Consultant. In addition to the proposed primary consulting team, we also have a DC Solutions Group. For each DC client we add a liaison from this group to work as a specialist advisor. Ben Taylor - who specializes in serving government and not-for-profit defined contribution plans - will serve in this capacity for the City of San Diego Defined Contribution Plans.

Name & Title	E-mail Address
Kevin Raymond, MBA – Consultant, Principal	Kevin.Raymond@rvkuhns.com
Corrie Oliva, CFA, MS – Consultant	Corrie.Oliva@rvkuhns.com
Jake Kalina – Associate Consultant	Jake.Kalina@rvkuhns.com
Benjamin B. Taylor, M.A., M.P.P. - Associate Consultant <i>Specialist Advisor</i>	Ben.Taylor@rvkuhns.com

b. Provide a brief history of your firm and your parent organization.

RVK was formed in 1985 to service the many client relationships previously handled by Russell V. Kuhns through the Merrill Lynch Consulting Group. During the first full year of operation, 49 of his 50 accounts followed Mr. Kuhns from Merrill Lynch to his new firm. Mr. Kuhns has more than 35 years of experience in providing full-service investment consulting to institutional, corporate, foundation, Taft-Hartley, and high-net-worth clients, making him one of the most experienced professionals in the consulting industry. RVK is the fifth largest pension consulting firm in the U.S. The firm's consulting staff as a whole has, in aggregate, more than 270 years of investment consulting and capital markets experience.

R.V. Kuhns & Associates, Inc. (RVK) is an independent, employee-owned organization headquartered in Portland, Oregon, with offices in Seattle, New York City, and Chicago. Russell V. Kuhns is the Chairman, founder, and majority stockholder (55%). Fourteen senior members of the firm own the remaining 45% 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. We do not have any parent organizations.

- c. **Within the past three years, have there been any significant developments in your organization, such as changes in ownership, restructuring, or personnel reorganizations? Do you anticipate future significant changes in your organization? If yes, please describe.**

The firm has a low turnover of employees and clients. The firm has not experienced restructuring, personnel reorganizations, or changes in ownership other than the transfer of shares from the majority shareholder to key professionals.

As RVK continues to add clients, the firm has taken a proactive stance by adding talented individuals to the organization. In compensating consultants, we strongly believe that ownership is one of the essential components in retaining talented senior professionals. All our consultants have a strong motivation to remain with the firm due to our ownership structure.

As RVK grows, the ownership will be transferred from the majority shareholder to the minority shareholders. In addition to the ownership structure, consultants receive a competitive base salary and a bonus depending on the profitability of the firm and the number of clients they serve. As a result RVK has experienced a low turnover of employees and clients.

The only organizational change we anticipate is a steady addition of talented personnel at all levels of the firm to accommodate the parallel growth in our client base.

- d. **Describe the ownership structure of you firm, giving specific details with regard to any parent or affiliates.**

R.V. Kuhns & Associates, Inc. (RVK) is an independent, employee-owned organization headquartered in Portland, Oregon, with offices in Seattle, New York City, and Chicago. Russell V. Kuhns is the Chairman, founder, and majority stockholder (55%). Senior members of the firm own the remaining 45% 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. Our owners are Russ Kuhns, Becky Gratsinger, Jim Voytko, Marcia Beard, Josh Kevan, Scott Gratsinger, Jennifer Kuhns, Eric Tanaka, Charlie Waibel, Robert Palmeri, Charlie Howell, Sean Ealy, Bruno Grimaldi, Jonathan Kowolik, and Kevin Raymond.

City of San Diego Defined Contribution Plans
Response to Request for Proposal

Organization

- a. Within the last five years, has your firm or any officer or principal been involved in any business litigation or other legal proceedings relating to your consulting activities? If so, provide an explanation and indicate the current status or disposition.

No, neither RVK nor any officer or principal of RVK has ever been involved in any business litigation or other legal proceedings related to our consulting activities.

- b. Please describe the level of coverage for error and omissions insurance and any fiduciary or professional liability insurance your firm carries. List the insurance carrier(s) supplying the coverage.

Active policies for R. V. Kuhns & Associates, Inc.
As of 1/15/08

Policy number	Line of coverage	Term of coverage	Limits of Liability	Carrier
494BD0197	Fiduciary Dishonesty Bond for Empl Benefits	11/1/07-08	\$3,000,000 Aggregate	Travelers
484PB0547	Fidelity/Crime	11/1/07-08	\$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	10/30/07-10/30/08	\$3,000,000 Aggregate \$50,000 Deductible	Chubb "Federal"
82075226	Professional Liability	10/30/07-10/30/08	\$5,000,000 Aggregate \$500,000 Deductible	Chubb "Federal"

City of San Diego Defined Contribution Plans
Response to Request for Proposal

FF 1U39893	Commercial package	8/26/07-08	\$1,000,000 ea Occur \$2,000,000 aggregate	One Beacon "Employers Fire"
FF 1U39893	Commercial Umbrella Liab	8/26/07-08	\$4,000,000 ea Occur \$4,000,000 aggregate \$10,000 retention	One Beacon "Employers Fire"

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.

- c. **Disclose any on-going business or contractual relationships you have with third party administrators/recordkeepers, investment managers or any other associated companies.**

We do not have any business or contractual relationships with third party administrators/recordkeepers, investment managers, or any other companies. Doing so would be a violation of our uncompromisingly strict Code of Conduct & Ethics. Please see **TAB 3** for a copy of this document.

- d. **Explain any other potential conflict of interest your firm might have in advising the Trustee Board.**

RVK does not have any conflicts of interest in servicing the City of San Diego Defined Contribution Plans. RVK has an uncompromisingly strict Code of Conduct and Ethics Policy that eliminates the potential for conflicts of interest. Please see **TAB 3** for a copy of this document.

To identify and manage conflicts of interest, our Executive Committee monitors our policy and reviews any lunch, dinner, or personal information brought to their attention by managers in the firm. Questions concerning any deviation from our policy are either brought to a manager's attention, or brought to the attention of our management team. Additionally, we monitor employee expense reports, review travel arrangements, and track weekly reimbursement forms to determine if expenses are out of the norm.

We also take all necessary and careful steps to be fully compliant with all governmental requirements in our field. We take extra care while reviewing compliance issues with our attorneys and appropriate government agencies to maintain a no conflicts of interest standard. Our Operations Department, supported by many areas of the company, makes all required annual filings. For example, the LM-10 filing requirement asked our firm to report all expenditures over \$25.00 to our Taft-Hartley clients. This filing required a high level of review for all expenses above \$25. Our ability to track this type of information is one example of the many areas where our Code of Conduct and Ethics Policy sets us apart in maintaining the highest level of ethics.

We believe that ethical leadership begins at the highest level of an organization and sends a strong message regarding the importance of ethical behavior to employees throughout the firm. RVK places the highest value on our “no conflict of interest” policy, and the CFA Standards reinforce our own policy and position on ethical issues.

Consultants at RVK place client interests before their own interests. We do not accept gifts during the course of any business relationship that could reasonably be expected to affect our loyalty to our clients. Our consultants preserve the confidentiality of information communicated by clients within the scope of the manager-client relationship. We also adhere to a strict policy by which consultants must refuse to participate in any business relationship or accept any gift that could reasonably be expected to affect their independence, objectivity, or loyalty to clients.

Our firm monitors compliance by our employees in the following ways.

- We have developed a “no-conflicts” policy and a firm Code of Ethics ensuring that managers comply with the provision of the CFA Code and all applicable legal and regulatory requirements.
- Any issues that arise that might conflict with our “no conflicts of interest policy” are immediately elevated to our firm’s Executive Committee. The same is true for any complaints regarding the conduct of a manager or its personnel. To date, we have never received a complaint regarding RVK’s ethics.
- We ensure that portfolio information provided to clients by the managers is accurate and complete, and that we communicate with clients on an ongoing, timely basis.
- We maintain records to the standards of Federal regulations for our clients.
- We employ qualified staff and sufficient human and technological resources to thoroughly investigate, analyze, implement, and monitor investment decisions and actions.
- We have established a business continuity plan to address disaster recovery or periodic disruptions of the financial markets.

RVK has built its business on the principles of integrity, client service, and our “no conflicts of interest” policy. We have a reputation of high ethical standards in working with clients, investment managers, and employees of the firm. As a privately held company, with no affiliates or parent company, we are more sensitive to our reputation than to the bottom line of the company. We pride ourselves in our impeccable client service standards and our adherence to the highest level of ethical standards.

- e. **Identify the individual(s) who would perform the work. Describe their assigned responsibilities and provide:**
- **Name and Title.**
 - **Location.**
 - **Responsibility.**
 - **Number and size of Client Relationships.**
 - **Years with the Organization.**
 - **Years experience and credentials.**

Kevin Raymond, MBA – Consultant, Principal

Kevin Raymond is a Consultant in the Portland office. He joined R.V. Kuhns & Associates, Inc. in 2004 and consults primarily to retirement plans, endowments, foundations, and corporations. Previously, Kevin was a Senior Manager in the Corporate Development Group at Sun Microsystems, where he contributed to the evaluation and completion of numerous venture investment and buy-side merger and acquisition (M&A) transactions. Prior to business school, he participated in public and private equity offerings as well as sell-side M&A transactions as a Financial Analyst and Associate in the Advest Group's Investment Banking Division.

Kevin graduated Summa Cum Laude and Phi Beta Kappa from Middlebury College with a Bachelor of Arts degree in Economics and a minor in Mathematics. He also has a Master of Business Administration from Duke University's Fuqua School of Business and is a member of the CFA Institute and CFA Society of Portland. Kevin is a shareholder of the firm. Kevin is currently a team member for 25 clients.

Corrie Oliva, CFA, MS - Consultant

Corrie serves as a Consultant out of our Portland office. Her role includes managing client relationships and consulting to a variety of the firm's pension, defined contribution, endowment and foundation, and corporate clients. Corrie first joined the Portland office of R.V. Kuhns & Associates, Inc. in 2002 as an intern during her studies for a Master of Science degree in Financial Analysis at Portland State University. Prior to rejoining RVK in 2006, Corrie worked for various financial services firms including Pacific Crest Securities and Willamette Management Associates. Her most recent experience was with D.A. Davidson & Co. where she performed financial analyses. Corrie also coordinated and executed business due diligence for investment banking transactions such as mergers and acquisitions, public offerings, private financings, valuations, and fairness opinions.

In addition to her Master of Science degree, Corrie holds a Bachelor in Business Administration degree, with a concentration in Finance (Cum Laude), from the University of San Diego and holds the Chartered Financial Analyst designation. Corrie is a member of the CFA Institute and is a member of the CFA Society of Portland. Corrie is currently a team member for 20 clients.

*City of San Diego Defined Contribution Plans
Response to Request for Proposal*

Jake Kalina –Associate Consultant

Jake joined R.V. Kuhns & Associates, Inc. in 2003. Jake works closely with the consulting team, and is responsible for an array of projects, including asset allocation studies, manager structure studies, gap analyses, client transition letters, and our quarterly capital and global market commentary. Jake works on a number of client relationships including foundations, corporate pension plans, public funds, defined contribution and Taft-Hartley plans.

Jake graduated from Oregon State University, receiving a Bachelor of Science degree in Business Administration.

Benjamin B. Taylor, M.A., 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. 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. While at Harvard, he taught undergraduate economics at Harvard College.

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. Prior to working on his master's thesis, Ben interned at RVK as a Public Financial Management Fellow. He is a CFA Level II candidate.

f. Provide the following information pertaining to your current clients:

Portfolio Size (\$ Millions)	Category	Public Sector	Other Tax-Exempt	Other	Total
\$0-\$49	# of Clients	6	149	13	168
	Total Amount \$	\$795M	\$1,770M	\$256M	\$2,821M
\$50-\$99	# of Clients	3	39	4	46
	Total Amount \$	\$232M	\$2,891M	\$289M	\$3,412M
\$100-\$250	# of Clients	4	10	6	51
	Total Amount \$	\$595M	\$6,317M	\$1,002M	\$7,914M
Over \$250	# of Clients	23	55	5	83
	Total Amount \$	\$666,083M	\$43,088M	\$9,385M	\$718,556M
Total	# of Clients	36	284	28	348

City of San Diego Defined Contribution Plans
Response to Request for Proposal

	Total Amount	\$	\$667,705M	\$54,066M	\$10,932M	\$732,703M
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Sample Report

Provide a sample quarterly report for the 2nd quarter 2008 using our current funds. Include a market review, fund performance evaluation, fund manager issues, fund parent company issues and any other known factors that could potentially impact fund performance. Make any suggestions for a watch list. Also include other related information that would be included in your standard quarterly report.

Please see **TAB 4** for a monthly asset allocation and performance summary using the City of San Diego's Defined Contribution Plans' current funds and a sample quarterly investment performance report of an existing RVK client. In order for RVK to determine a "watch" list of managers, we would need to see the Plan's Investment Policy and specific performance objectives, as RVK advocates that formal "watch" lists be determined in accordance with regular written procedures. Although RVK would notify the Committee of any material issues (Portfolio Manager changes, ownership issues, style drift, change in risk profile, and so forth) on a regular basis, ultimately the policy determines managers on watch.. We do not currently have any of the managers for the City's plan on an official watch list.

The sample report noted above should be viewed only as a sample of the analytics that would be provided by our firm. As a standard practice we provide significant customization to our client reports based on each client's unique needs, and would provide equally hands on services to the City if hired.

References

Provide the name, address and telephone number of three to five clients for whom similar services have been performed by your firm. References should be current and should be relevant to the type of services requested. Include a one line description of services provided with each reference, as well as the team member that provided the service.

Mr. Dale Moyer
Director Compensation Management
Chicago Public Schools
125 S. Clark Street – 14th Floor
Chicago, IL 60603
(773) 553-1210

RVK Team: Robert Palmeri, Bruno
Grimaldi, Jonathan Kowolik, Benjamin
Taylor
Third party administrator search services
provided on a project basis

Ms. Jennifer Paquette
Chief Investment Officer
Public Employees' Retirement Association
of Colorado 401(k)
1300 Logan Street
Denver, CO 80203
(303) 828-4348
Full retainer client
RVK Team: Rebecca Gratsinger, Josh
Kevan, Russ Kuhns, Beau Burggraff

City of San Diego Defined Contribution Plans
Response to Request for Proposal

Ms. Elaine M. Kurtz
Department Manager Human Resources
San Francisco Bay Area Rapid Transit
District
300 Lakeside Drive, 20th Floor
Oakland, CA 94612
(510) 464-7591
RVK Team: Marcia Beard, Kevin
Raymond, Jake O'Shaughnessy
Full retainer client

Fees

- **Please provide a fee proposal for the services outlined in this RFP.**
- **Please state if you are willing to guarantee your fees for a specific period of time and such period.**

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 \$95,000 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. The sole exception to our general retainer policy is a request to execute a full third party administrator/record keeper search and evaluation which carries the discounted retainer client price of \$40,000.

Furthermore, our fee is guaranteed for two years, after which our fee would be adjusted annually by 3% or CPI, whichever is greater.

Should the City of San Diego Defined Contribution Plans 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 project.

Exception to General Provisions

H. General Contractual Obligations

2. Insurance

a. Additional Insureds

Adding additional insureds is non-standard in investment consulting practice. RVK sets insurance coverage based on the firm's own requirements, and does not add additional insureds.