UC RFP #UCOP-HRB/DB Admin/2008 for Defined Benefit and Other Administration Services

1 General Information

1.1 Overview

The University of California ("UC" or "the University") is a public, state-supported land grant institution with a mission to teach and conduct research in a wide range of disciplines and to provide public services. Founded in 1868, UC is regarded as the world's premier public university.

UC has ten campuses—Berkeley, Davis, Irvine, UCLA, Merced, Riverside, San Diego, San Francisco, Santa Barbara, and Santa Cruz. The University operates five medical centers, 15 health professional schools, three law schools, one Department of Energy laboratory, and a statewide Division of Agricultural and Natural Resources. The UC community includes approximately 214,000 students, 170,000 faculty and staff, 39,000 retirees, and 1.5 million living alumni.

UC's academic offerings span more than 150 disciplines, with more departments ranked in the top 10 nationally than at any other university. A total of 50 faculty and research members affiliated with the University have won Nobel Prizes, including 18 since 1995.

UC confers more than 40,000 bachelor's degrees each year and awards more Ph.D.s than any other U. S. university ─ 7 percent of the annual nationwide Ph.D. total. As a center for lifelong learning and continuing professional development, UC also has the nation's largest continuing education program, with more than 400,000 students each year enrolled in 17,000 Extension courses around the state.

UC's operating budget for 2007-08 totals $18 billion (excluding the Lawrence Berkeley National Laboratory). Less than 20% of this total is funded by the state of California, with the remaining 80% coming from student fees, federal funds, revenues from the medical centers, self-supporting activities, private donations, and other fund sources.

The size and breadth of the University's intellectual and scientific resources give UC a unique ability to tackle many of the pressing challenges facing California, the nation, and the world on a scale that modern challenges require. Additional information about the University community is available through its website http:/www.universityofcalifornia.edu.

1.2 Request for Proposal ("RFP") Objectives

The overall objective of this RFP is to select a partner that can provide seamless and consistent administration and customer service for the UC defined benefit and postretirement health and welfare plans (the "Plans"). This vendor must have the capability to offer web-enabled self-service and selected administrative functions, as detailed in this RFP.

The University seeks a vendor who:

- Is a market leader in the delivery of defined benefit plan administration, member services and communications
- Has current experience with public sector defined benefit plans
- Offers a "one-stop" defined benefit solution to minimize administrative burden, maximize data transfer efficiencies, and realize seamless member services
- Has the flexibility to provide bundled or unbundled services

- Can help maintain and increase member satisfaction
- Delivers consistent, accurate, responsive, and professional administrative services
- Provides innovative, proactive approaches to effective administration and service delivery
- Provides ongoing collaborative communication and education to UC and members

1.3 Overview of the Plans

The University of California Retirement Plan ("UCRP") is a governmental defined benefit plan qualified under Internal Revenue Code ("IRC") §401(a) and is not covered under Employee Retirement Income Security Act of 1974 ("ERISA"). All eligible employees of the University are covered by the UCRP. Established in 1961, UCRP has evolved over the years to include provisions for:

- Basic retirement income with four payment options and a lump sum cash-out provision
- Disability income
- Death benefits
- Pre-retirement and postretirement survivor benefits
- Annual, automatic adjustments for increases in the cost of living for retirees and inactive members
- Grandfathered benefits for certain groups of members

As of July 1, 2007, there were over 225,000 members, including actives, retirees, beneficiaries, inactive vested, and terminated non-vested with supplemental cash balance accounts and/or employee contributions. Additionally there are approximately 166,500 terminated non-vested members who do not have supplemental cash balance accounts and/or employee contributions, but could return to work. The plan provides for past service credit for rehired members.

Attachment 10 contains the complete formal UCRP Plan Document. The following is a highlight of certain plan provisions:

General UCRP Information	
Membership Classifications	• Members with Social Security coverage • Members without Social Security coverage • Safety Members (police and firefighters) • Tier Two (frozen) UCRP Plan Document section 3
Eligibility	Membership is automatic for all employees appointed to work at least 50% time for an indefinite period or a definite period of one year or more and begins the first day of an eligible appointment. Employees who work 1,000 hours (750 for certain lecturers) in a rolling 12-month period are also eligible. UCRP Plan Document section 2.22
Vesting	Five years of service credit.

General UCRP Information	
Normal Retirement Date	Members (other than Safety Members) reach highest age factor at 60 with five years of service credit, but may elect early retirement upon attaining age 50 with five years of service credit. Safety Members reach highest age factor at 50 with five years of service credit. UCRP Plan Document section 2.37
Basic Retirement Income (BRI)	BRI is determined by multiplying Highest Average Plan Compensation (HAPC), an age factor and years of service credit. An offset applies to members with Social Security. The maximum monthly benefit is 100 percent of the member's HAPC over a 36-month period less $133, subject to IRC limits. UCRP Plan Document sections 2.07, 5.06, 6.06, 7.07 and 8.06
Preretirement Survivor Income	*Employee Dies While Active or Disabled.* Monthly benefit equal to 25% of member's final salary for the first three months. The monthly Preretirement Survivor Income shall be 25% of final salary less $106.40 thereafter. *Employee Dies While Eligible to Retire.* If an active member, disabled member, or inactive member dies after attaining age 50 and has earned five years of service credit, or after age 62 regardless of service credit if he or she became a Member on or before July 1, 1989, the survivor benefit is determined as if the Member had elected a full joint and last survivor payment option on date of death. UCRP Plan Document sections 5.16, 6.15, 7.15, 8.14, and 8.15
Postretirement Survivor Continuance	When a retired member dies, part of the continuing retirement benefit is paid only to the surviving spouse/domestic partner or if none, to the eligible children, or if none, to the eligible dependent parents. The formula for most members, i.e., those coordinated with Social Security, is 25% of the member's BRI. The formula for members whose benefits are not coordinated with Social Security is 50% of the member's BRI.

General UCRP Information	
	The survivor continuance benefit does not affect the amount of the member's BRI. UCRP Plan Document sections 5.17, 6.16, 7.16, and 8.16
Disability Benefit	Disability income equals a percentage of the member's monthly final salary with an offset for members whose benefits are coordinated with Social Security. UCRP Plan Document sections 5.19, 6.18, 7.18, 8.18, and 8.19
Cost-of-Living Adjustments (COLAs)	Retirement benefits include annual COLAs based on the Consumer Price Index (CPI). Ad hoc COLAs are subject to funding availability. The HAPC for inactive members is adjusted by an annual COLA from separation date to retirement date. UCRP Plan Document sections 5.11 and 9.03
Capital Accumulation Payment (CAP)	Credits were allocated under a cash balance formula for eligible members during 1992, 1993, 1994, 2002 and 2003 to provide a supplemental benefit under UCRP. Monthly interest is credited at fixed rates. CAP benefits are vested immediately and distributed as a lump sum. UCRP Plan Document sections 10.08 - 10.13
Forms of Payment	- Monthly retirement income for member's life - Four contingent annuitant payment options - Lump sum cashout UCRP Plan Document sections 2.33, 4.08, 5.12, 6.11, 7.11, and 8.10
Reciprocity	UCRP and California Public Employees' Retirement System (“CalPERS”) have a reciprocal agreement under which service credit earned under both systems is recognized for vesting and covered compensation earned at both systems may be taken into account in the benefit calculation.

General UCRP Information	
	UCRP Plan Document section 12.08
Concurrent Retirement	Concurrent retirement provisions may apply for UCRP members who are also members of the California State Teachers' Retirement System Defined Benefit Program ("CalSTRS"). UCRP Plan Document section 12.09
Member Contributions	Mandatory employee contributions are based on a percentage of covered University wages less a specified monthly reduction, determined periodically by the Regents. Currently, member contributions are redirected to individual accounts in the UC Defined Contribution Plan and will be resumed under UCRP at the Regents' discretion, subject to available funding, the budget process and collective bargaining requirements, as applicable. UCRP Plan Document sections 4.01 - 4.08
Other Important Provisions - Also noted is an estimate of the level of effort required to administer these provisions	Break in Service (UCRP Plan Document section 2.09 and 4.08) - Low Service Credit Buybacks (UCRP Plan Document sections 5.04 (d) and (e), 6.04 (d) and (e), 7.05 (d) and (e), 8.04 (e) and (f)) - Low, generally automated Retirement Income Offset (UCRP Plan Document sections 5.08, 6.07, and 8.07) - Low, generally automated Strict Full Time Salary Plan (UCRP Plan Document sections 5.10, 6.09, and 7.09) - Medium Adjustment to Highest Average Plan Compensation (UCRP Plan Document sections 5.11, 6.10, 7.10, and 8.09) - Medium Reinstatement Provisions (UCRP Plan Document sections 5.15, 6.14, 7.14, and 8.13) - High, manual Lump Sum Payments Upon Death (UCRP Plan Document sections 5.18, 6.17, 7.17, and 8.17) - Low Benefit Guarantees (UCRP Plan Document section 5.20) - Medium

General UCRP Information	
	QDROs, including provisions relating to Domestic Partnerships (UCRP Plan Document section 12.07) - High, manual

On January 1, 2000, the University established the 415(m) Restoration Plan which pays the difference between the UCRP benefit and the amount that the UCRP would pay without restrictions imposed under IRC §415(b) for eligible members. As of July 1, 2007, there were 1,839 members in the 415(m) Restoration Plan.

The PERS Plus 5 Plan was established in 1991 as a voluntary early retirement incentive program by the University. It is a frozen plan covering a closed group of retired members and survivors who participated in CalPERS rather than UCRP. In total, there are currently 758 PERS Plus 5 Plan retirees and survivors.

The University currently offers continuation of medical, dental, and legal insurance to UCRP members who elect a monthly retirement income (UCRP members who elect lump sums are not eligible for these benefits). Roughly, 35,500 UCRP retirees currently receive these postretirement health and welfare benefits.

There are approximately another 3,500 retirees who are eligible for and receive these postretirement health and welfare benefits, but they do not participate in the UCRP. Approximately 3,000 of these retirees receive pension benefits from CalPERS and approximately 500 receive pension benefits from the following; CalSTRS, Orange County Employees Retirement System (“OCERS”), Federal Civil Service Retirement System (“FCSRS”) and/or Howard Hughes Medical Institute (“HHMI”).

UC has automated more than 93% of calculations required to administer these plans.

Please note that records and documents that are not stored electronically may be on microfiche, micro tape or on paper. The University's Research Unit receives approximately 1,200 requests per year to review service credit or process leave buybacks and redeposits. These activities often entail the gathering of exact payroll records from the various campuses prior to submission for calculation processing.

1.4 Proposed Changes to Current Administration Arrangement

UC currently administers the Plans in-house. The below business models are being considered in relation to delivering administration services for the University's Plans on a go-forward basis. UC reserves the sole right to select a vendor to provide any combination of the services described in this RFP. The selected vendor is expected to administer the Plans in compliance with all regulatory and plan document requirements. Please note that Trustee, Custody and Actuarial services are not in scope for purposes of this RFP.

1) MODEL 1

	UC Responsibility	**Shared Responsibility**	**Vendor Responsibility**

Service Category			
	Investment Management	Knowledge Transfer	Data Management and Security
	Policy Appeals		Record Keeping
	Fiduciary Responsibilities		Reporting
	Policy and Program Design		Compliance
			Benefit Calculations
			Postretirement Health and Welfare Administration
			Customer Service
			Internet Self-Service
			Accounting and Banking
			Member Communications

UC Responsibility:

Investment Management

- Conduct all investment management activities
- Communicate with stakeholders regarding all actuarial and investment related matters

Policy Appeals

- Provides support for appeals to the Plan Administrator when all other review levels have been exhausted (see Attachment 24 - Appeals Process)

Fiduciary Responsibilities for Administrative Functions

- UC's Associate Vice President, Human Resources and Benefits is the designated plan administrator
- Support governance and fiduciary matters
- Interact with the Plans' actuary and other consultants regarding all actuarial deliverables (i.e., direction of deliverables)
- Audit compliance
- The UC Regents have oversight responsibilities

Policy and Program Design

- Make all policy and program plan design decisions
- Respond to escalated plan policy questions

Shared Responsibility:

Knowledge Transfer

- Collaboratively, UC and the Vendor will share knowledge of the Plans' administrative procedures, issues and intricacies. The Vendor will work with UC to develop an understanding of the Plans and to identify potential areas for administrative improvement.

Vendor Responsibility:

Data Management and Security

- Receive and reconcile Plan member data from 13 different payroll locations which are provided once a month
- Protect personal and private information in compliance with the California Information Practices Act, especially California Senate Bill 1386
- Perform all services and house all UC data within the United States
- Agree not to share any UC member data with any parent company, subsidiaries and/or other parties with out prior UC written consent
- Develop and provide disaster recovery services
- Develop and provide business continuation services
- Develop and provide system security setup and controls
- Comply with Section 8 (Confidential Information) and Section 9 (Personal Information) of the UC Model Professional Services Agreement listed in Attachment 21

Record Keeping

- Record keeping of all historical member data, which dates back to the inception of the UCRP Plan in 1961 (basic demographic and defined benefit data components are stored electronically, however records and documents that are not stored electronically may be on microfiche, micro tape or on paper)
- Update the Plans' member data based on employee and manager self-service data changes
- Distribute data files to health and welfare carriers, defined contribution plan administrators, auditors, actuaries and any other related parties
- Maintain single-source database of all defined benefit plan and postretirement health and welfare plan member information and history, including all benefit amounts and the necessary fields to calculate benefits and provide reports (i.e., eligibility, location, final average earnings, service, leave of absence dates, buy-backs, capital accumulation payment accounts, beneficiary information, grandfathered benefits, union designations, etc.). The vendor will not be responsible for keeping track of sensitive member medical/claims data.
- Scan information provided by members and store member data and correspondence electronically
- Administer retirement, survivor, disability, and all other special benefits and provisions as provided by the Plans
- Maintain and manage interfaces to/from UC and other vendors, including notification of member status changes to UC
- Process and update records for Qualified Domestic Relations Order (“QDRO”) and Power of Attorney documents (includes determination of qualifying a “DRO”)
- Maintain records related to Medicare Part B Reimbursement
- Maintain Master Trust record keeping with segment reporting by location

Reporting

- Provide standard management reports (volumes, quality, etc.)
- Provide customized reports
- Provide self-service reporting access via web
- Provide internet performance reports

Compliance

- Administer all benefit payments and practices in compliance with applicable federal and state laws and regulations, as well as comply with UC's Plan documents and Group Insurance Regulations
- Request letters of direction when provided policy does not address particular issues
- Ensure compliance with Medicare regulations for members with postretirement health and welfare benefits such as Medicare secondary payer rules
- Update and distribute documents and information to members for all Plans
- Review and evaluate federal and state provisions that impact the Plans and members and adjust administrative practices accordingly
- Verify the presence and efficacy of controls designed to prevent non-compliance
- Support audits of the Plans
- Coordinate with UC, including the 13 payroll locations, on data issues
- Coordinate with the Office of General Counsel on escalated legal issues
- Draft updates to plan documents for plan amendments

Benefit Calculations

- Process retirement, disability, termination and death benefit calculations, including:
  - Research of historical member records when service history is challenged (records and documents that are not stored electronically may be on microfiche, micro tape or on paper)
  - Calculate benefit amounts for all optional forms of payment
  - Distribution of “Retirement Kit” to members
  - Generate retirement confirmation letters
  - Process and validate member forms
  - Make COLAs
  - Calculate 415(m) Restoration Plan benefits, including recalculations when 415(b) limits change and when COLAs are made
  - Prepare special calculations (i.e., special offsets, QDRO, disability, death)
  - Prepare special calculations for batch processes (e.g., retirement readiness campaigns)
- Audit and validate benefit calculations
- Calculate retroactive adjustments and research calculation issues

Postretirement Health and Welfare Administration

- Set up and maintain postretirement health and welfare records for retirees and eligible beneficiaries
- Determine and verify eligibility for postretirement health and welfare benefits
- Update member postretirement health and welfare premiums
- Conduct annual retiree Open Enrollment activities

- o Coordinate with vendors and other third parties regarding postretirement health and welfare eligibility and premium amounts, including:
  - Identification of non-Medicare versus Medicare eligibility
  - Coordination with PERS, STRS, OCERS, FCSRS and HHMI for retirees that receive pension payments from these plans
  - Direct members to active health and welfare providers regarding questions about coverage policies and claim amounts
- o Administer coordination with Medicare
- o Provide Medicare subject matter expertise

Customer Service

- o Establish and manage call centers to answer member questions Monday through Friday, 8:00 a.m. to 5:00 p.m. Pacific Time regarding
  - Policy for all the Plans
  - Guidance on how to use self-service tools
  - Guidance on where the Plans' materials can be located
  - Guidance on how to initiate transactions such as retirement or benefit changes
  - Other plan and retirement-related questions
- o As it relates to UCRP, the 415(m) Restoration Plan, and the PERS Plus 5 Plan, customer service will be responsible for responding to member inquiries and the administration of the retirement process
- o As it relates to UCRP, the 415(m) Restoration Plan, and the PERS Plus 5 Plan, customer service will respond to member requests for administrative review of denied benefits in a timely manner (see Attachment 24 - Appeals Process)
- o For the postretirement health and welfare program, customer service representatives ("CSR"s) will be responsible for responding to inquires regarding retiree open enrollment, eligibility, deductions, and general plan questions. They will not be responsible for responding to inquiries regarding carriers or coverage policies and claim amounts, other than to direct callers to appropriate health and welfare vendors.
- o Distribute form letters
- o Coordinate with the University regarding issues that require escalation
- o Provide retirement counseling, for retirees and survivors (i.e., provide explanations of the various retirement/survivor options available); this excludes financial or investment counseling
- o Provide advance review and training of CSRs on handling questions regarding special notices (i.e., Medicare Part D effects on a PPO)
- o Provide members with multi-lingual customer service support
- o Provide customer service support for visually impaired members, in compliance with the Americans with Disabilities Act

Internet Self-Service

- o Create and maintain employee self-service applications that contain personal data and documentation/information. Applications should allow the employee to model defined benefit amounts at various retirement dates
- o Create and maintain operational workflows and manager self-service applications to facilitate administration of the Plans

Accounting and Banking

- Process retiree payroll, including the following security, void check, stop payment, returned check and escheat control related activities:
    - Access to the check writing function is to be restricted to those authorized employees needed to perform the check writing function and duties are to be strictly separated. Blank check stock must be stored in a secure location and access to blank check stock must always be under dual control (i.e., person writing check can not authorize the check, and the person authorizing the check can not write the check)
    - When a check is no longer valid, it will be defaced and a void transaction will be processed. Processing will include voiding the check in the management system and notifying (through a cancel transaction) the bank that the check has been voided (if the issuance had been transmitted)
    - Stop payments will be processed on all lost/reissued checks as well as all stale dated checks
    - Returned checks will be voided
    - Outstanding checks that have aged 180 days must be canceled in the system and at the bank. A monthly listing of stale dated cancellations must be sent to the program manager and other managers or supervisors as requested. Instructions to the program manager and other management staff regarding the stale dated cancellation list are to investigate and, if necessary, reissue checks to the payee.
- Coordinate with UC to collect and distribute funds for retiree payroll and payment of postretirement health and welfare premiums
- Deduct postretirement health and welfare premium payments from retirees' defined benefit plan checks
- Pay Medicare Part B reimbursement to eligible retirees
- Set-up direct deposit payments for new retirees
- Reconcile retiree payments and perform defined benefit plan fund accounting
    - Collect and reconcile overpayments
    - Reconcile cash each workday and maintain a Cash Reconciliation Log
    - Notify the University of all the following discrepancies disclosed in the daily cash reconciliation:
      a. Checks with altered amounts
      b. Checks with altered payees
      c. Checks not issued by the selected vendor

      The University understands that these checks will not be paid, however; we wish to know about them and refer them for special investigation, when appropriate.

    - Reconcile the Plans' accounts every month and submit a copy to the University no later than seven workdays after receipt of the bank statement
- Reconcile postretirement health and welfare program eligibility and premiums
- Prepare applicable tax reports and transmit them to the Internal Revenue Service and the California Franchise Tax Board. Tax reports include, but are not limited to the following:
    - Form 1099-Rs
    - Form 1042-Ss in certain situations for those living abroad
    - W-2s for 415(m) Plan distributions and also for imputed income for certain health and welfare benefits

- Create and submit a cash forecast ten workdays before the first workday of the month that cash is needed. This forecast should provide the disbursement amounts as well as the expected pay dates during the month. Separate ACH and check amounts for each pay date in the forecast are required. Benefit payments should be included.
- The University strongly prefers the selected vendor to use the University's existing banking relationships:
  - Wells Fargo Bank for paper disbursements
  - BONY Mellon Bank for ACH (straight through processing with debit block) payments for payrolls, vendor payments, and taxes. All transmissions to BONY Mellon Bank for ACH must be made via Secure FTP, be encrypted and require a near real-time file receipt confirmation
- All account establishment activities (selection of account types, control features, creation of new accounts, assignment of account signors (manual or electronic)) must be reviewed and approved according to existing University procedures through the Office of the President

Member Communications

- Prepare and distribute communications (web and print) for all Plan members, including but not limited to:
  - Change notifications
  - Summary Plan Descriptions (SPDs) for UCRP
  - Letter of accrued benefit upon termination
  - Notices to inactive members of their retirement options when nearing normal retirement date or age 70½
  - Annual defined benefit statement to active and terminated vested members
  - Notices to employees when defined benefits change or stop
  - Summary of Material Modifications
  - Ad hoc and legal mailings as needed
  - Retiree health and welfare open enrollment materials (production of materials will be a joint effort with UC)

Other

- All other services required to administer the Plans

2) MODEL 2

- Same as Model 1, but with the University responsible for:
  - Consolidating the UCRP member data from the 13 different payroll locations and distributing one file to the vendor with updates on a monthly basis. As with Model 1, all UCRP member data will be distributed to the vendor at the time of the transition.
  - Recordkeeping of non-electronic historical member data. The following summarizes the data that is stored electronically versus that which is not:
    a. From 1982 onward, all aggregate plan data is stored electronically.
    b. From 1994 onward, all month-to-month service and compensation data is stored electronically.
    c. From 2001 onward, all reports and supporting documents are stored

- Under Model 2, the vendor must work collaboratively with the University to provide customer service to members that require research of the member data that is maintained by the University

3) MODEL 3

- Same as Model 2, but in addition, the University would be responsible for all customer service and benefits counseling functions.
- Under Model 3, the vendor must provide appropriate tools and interfaces to enable UC to successfully deliver customer service functions and benefits counseling functions.
- Under Model 3, the vendor must provide UC with on-going training on the vendor's tools, process, and protocol.

2 Proposal Process

2.1 Proposal Process Overview

UC has retained Deloitte Consulting LLP ("Deloitte") to assist with this vendor search. The RFP process will be conducted electronically via the Internet using Proposal Tech. If necessary, Proposal Tech representatives will schedule training sessions at your convenience, and provide instructional materials to assist you with completing this RFP.

In order to submit a proposal, prospective vendors must:

- Attend the mandatory bidders' RFP conference on April 30, 2008.
- Satisfactorily answer the pre-qualification questions (Section 4) by 5:00 P.M. Pacific Time on May 6, 2008. Only those vendors who satisfactorily answer the pre-qualification questions will be eligible to complete the entire RFP.
- Agree to perform all services and house all UC data within the United States. This requirement also applies to subcontractors and affiliates, if any.

2.2 Proposal Timeline

The timeline for the proposal process is as follows:

Activity	Dates
Release RFP	April 10, 2008
Bidders' RFP conference	April 30, 2008
Pre-qualification answers due	May 6, 2008
Deadline for vendor questions	May 13, 2008
Proposal deadline	May 27, 2008

Activity	Dates
Finalists selection	July 16, 2008
Finalists presentations	July 21, 2008 - July 23, 2008
Site visits	August 4, 2008 - August 8, 2008
Award of business	October 1, 2008
Implementation Go-Live date	TBD

The above timeline and the target dates indicated in this document are subject to change at UC's sole discretion.

2.3 Electronic RFP Distribution

This RFP process will be conducted electronically via the Internet using Proposal Tech (http://www.proposaltech.com/ucdbrfp.htm). Proposal Tech provides a secure, web-based platform that will require a unique user name and password. Your web-based responses will only be available to the University, Deloitte and Proposal Tech individuals that have been granted access to the site for purposes of this RFP. Hard copy proposals provided in lieu of responding through the web utility will not be accepted. Proposal Tech representatives will schedule training sessions at your convenience and provide instructional materials to assist you with completing this RFP. It is your responsibility to secure any necessary training. All technical questions related to the website should be directed to the Proposal Tech customer support team; contact information is provided in Section 3.7.

Signatures for documents transmitted electronically may be in the form either of a scanned signature, or typed in using the following convention: “/s/ John Smith”. Please use either form any place where a signature is required. Such signatures will be deemed binding and carry the full force of an original signature on a hard copy document.

2.4 Proposal Inquiries

All vendor inquiries will be coordinated through Proposal Tech. For proper tracking of responses and equitable distribution of information, questions posed via phone, fax or e-mail will not be accepted.

The following guidelines and rules have been established for effective communication:

- Vendor inquiries will be accessible to all participating vendors; the entity posing the question will not be identified
- Final deadline to submit questions is May 13, 2008
- Responses will be accessible to all participating vendors
- UC will make every effort to respond to all inquiries as quickly as practical

If you have questions that you believe address confidential business issues specific to your organization, you may contact Mr. Alan Moloney directly; his contact information is identified in Section 3.7. If UC agrees to the reasonableness of the confidential request and that a private answer would not prejudice the information available to other participating vendors, your question will be addressed privately.

Any changes, additions, or deletions to this RFP will be in the form of written addenda issued by the University to all participating bidders via the Proposal Tech site.

2.5 Bidders' RFP Conference

A mandatory bidders' RFP conference will be held in person on Wednesday April 30, 2008 in Oakland California. The time and location will be communicated separately. The purpose of the RFP conference will be to provide your organization with an opportunity to discuss the objectives of this RFP with UC management, and to answer basic questions you may have regarding the proposal requirements, University priorities, objectives of the RFP and potential award scenarios. As noted above, detailed questions concerning the RFP will be handled through Proposal Tech so that questions and answers are documented and equally accessible to all. For this reason, such questions will not be fielded during the RFP conference.

2.6 Proposal Submission

Your complete proposal, including all attachments and exhibits, must be submitted through the Proposal Tech website at www.proposaltech.com by 5:00 p.m., Pacific Time on Tuesday May 27, 2008. Technical problems posting a proposal will not be an acceptable excuse for a late submission, unless failure is due to lack of Proposal Tech system performance and availability.

Proposals received past the deadline and/or proposals that are incomplete or do not meet the pre-qualification requirements will be automatically disqualified.

Additional information may be requested from vendors, and RFP addenda may be issued at any time during the proposal process. All information and materials are to be transmitted through Proposal Tech.

2.7 Proposal Screening Process

Proposals will only be considered for vendors who meet each of the following requirements:

- Compliance with pre-qualification requirements
- Adherence to proposal submission timeframe requirements
- Completion of the proposal in accordance with the instructions provided in this RFP

If you have concerns about your ability to comply with any of these requirements, please raise these issues for discussion to make certain that all opportunities to submit a proposal are explored. You are encouraged throughout this process to ask questions through the appropriate process outlined in section 3.7 that will help you in producing a timely and accurate proposal.

2.8 Finalist Presentations

The University expects to request selected vendors to participate in oral presentations. This will be your opportunity to present your proposal in person, to meet the principal evaluators at UC, to engage in an interactive dialogue and to answer questions from UC. The meeting will be in Oakland, California with a projected meeting time of approximately two hours. The finalist presentations are targeted to be held July 21, 2008 through July 23, 2008.

2.9 Site Visits

The University expects to conduct site visits with selected vendors from August 4, 2008 through August 8, 2008 to evaluate any and all aspects of operations affecting administration of the Plans. Site visits may include any of the following:

- Interviews with supervisors and staff engaged in the various operations. Staff proposed to be dedicated to UC should be available for these interviews
- Review of vendor tools, including member self-service tools
- Review of materials used by the staff, such as administration manuals
- Recorded call review, if silent call monitoring cannot be conducted
- To the extent allowed, silent monitoring of customer service calls
- Hands-on review of administration systems
- Ad hoc review of case files to provide examples of procedures discussed in the proposal or site visits
- Review of information security measures and disaster preparedness
- Demonstration of reporting system capabilities, including but not limited to standard management reports (volumes, quality, etc.), customized reports, self-service reporting access via web, and internet performance reports.

Review of actual cases that require confidentiality agreements will be performed only by Deloitte consultants. A confidentiality agreement is attached as Attachment 22 that covers the access to such material during these visits.

2.10 Service Contract Negotiation

UC's objective is to complete a professional services agreement, performance standards, and final cost negotiations with the selected finalist. Contract negotiations will begin with vendors on July 16, 2008.

The vendor finalist will be required to provide a signed and executed contract, as developed by the University, as a final condition to be awarded the defined benefit and postretirement health and welfare plan administration business.

UC is under no obligation to contract with any vendor for the services described in this RFP.

2.11 Proposal Evaluation and Notification of Selection

UC will evaluate all proposals that are properly submitted according to the instructions within this RFP. All documents submitted to UC on behalf of this RFP will become the exclusive property of UC and will not be returned. Any contract(s) resulting from this RFP will be awarded to the responsive and responsible vendor(s) whose proposal, in the opinion of UC, offers the greatest benefit to the University when considering the total value to be delivered, including, but not limited to, the quality of professional services offered and the total cost of the contract to the University.

UC has retained the services of Deloitte to assist with portions of the RFP process; however, the University at all times retains final responsibility for evaluations and makes the final determination of an award or awards at its sole discretion.

Selected and non-selected vendors will be notified in writing at the conclusion of the process.

UC reserves the right to reject any or all proposals at its discretion. The vendor's compliance with the requirements of this RFP shall be determined at the sole discretion of the University or its designated representatives.

3 Proposal Requirements and Instructions

3.1 General Conditions

Please note the following general expectations regarding this RFP process:

- Proposals submitted according to the RFP guidelines and timelines will be considered binding.
- UC reserves the right to negotiate with the vendors selected as finalists over any and all terms of their proposals, and to solicit additional information and accept any modifications at its sole discretion
- The sole method for changing this RFP is by official addendum from UC
- UC will rely on the written responses submitted by each bidding organization. In addition, the bidding organization selected to provide administration services on the basis of its submitted bid must agree that all responses provided in the submitted bid (and any additional written responses made during the evaluation process) will be incorporated into the final contract entered into between UC and the successful bidder
- Any deviations from the specifications and/or requirements described in this RFP must be set forth in detail when the bid is submitted. If no deviations are specified, UC will assume that a bidder's proposal will strictly comply with the specifications provided in this RFP
- The successful bidder will be responsible for full compliance with all specifications, including plan design provisions and core requirements, outlined in this RFP, unless deviations are identified when the bid is submitted for evaluation

3.2 Proposal Preparation Costs

All costs incurred in the preparation and submission of proposals and related documentation, including vendor presentation to UC, shall be borne by the vendor.

3.3 Proposal Acceptance Period

“Acceptance Period” as used in this provision, means the number of calendar days available to UC for awarding a contract. All proposals shall remain available for UC acceptance for a minimum of one year following the RFP closing date.

3.4 Initial Contract Term

It is anticipated that the initial term of any agreement resulting from this RFP will be for a period of five years. Vendor must agree to guarantee the proposed fees for this initial contract term, without increases, beginning on the effective date of the agreement.

3.5 Optional Renewal Term(s)

UC may, at its sole option, extend or renew the agreement for up to three additional one-year periods at the same terms and conditions, with provisions made for possible fee adjustments.

3.6 Proposal Process Requirements

Your proposal must comply with the following requirements:

- Complete the pre-qualification requirements via Proposal Tech.
- Complete the proposal according to the instructions provided in this RFP and via Proposal Tech.
- Respond to each applicable section and question based on the scope of your proposal.

UC will evaluate all proposals submitted according to this RFP. The proposal submitted will be considered to be your organization's only submission. Minor modifications or corrections of oversights may be allowed at the University's sole discretion; however, the University cannot guarantee that revised proposal elements will be accepted. Failure to provide all information requested in the proposal specifications will render the proposal invalid in the sole discretion of the University.

3.7 Contact Information

All requested and official correspondence is to be addressed as follows:

Mr. Alan Moloney
Manager
Strategic Sourcing
University of California
1111 Franklin, #10403
Oakland, CA 94612
510-987-0824
Alan.Moloney@ucop.edu

Questions regarding the RFP must be submitted using Proposal Tech. This will allow your questions to be recognized and responses to be handled equitably. If you need to speak with someone directly, please contact the individual as indicated above. However, no questions that should be submitted through Proposal Tech will be accepted through phone, fax or e-mail.

Questions regarding the Proposal Tech RFP functionality should be directed to the support team at:

Name	**Phone Number**	**E-mail**
Kevin Webb	877-211-8316 ext 82	kwebb@proposaltech.com
Proposal Tech Support	877-211-8316, Option 4	

3.8 Responding to the Questionnaire

Following is a brief description of the general types of questions you will encounter in the questionnaire and how you should address each question type.

- All questions - there will always be a text box for comments, regardless of the question type

- Questions requiring a text response - Write your answer in the text space provided. Where the question includes a bulleted list of sub-topics, be sure to address each of these topics in your response. Questions must be answered in the space provided; answers provided in the form of attached documents, in lieu of answering in the space provided, will NOT be reviewed. Attachments will be accepted where specifically requested.
- Yes/No questions and multiple choice questions - Select the appropriate response. If more than one answer is acceptable, the question will so indicate. Comments and information may be provided in the text box.
- Questions with sub-questions - For questions which have sub-questions designated “a.”, “b.” and so forth, answer each sub-question separately. There will be just one text box for the overall question, so you must begin your answer to each sub-part with “a.”, “b.”, etc., each followed by your answer.
- All questions must be answered - Blank responses to individual questions, whether in text boxes or table format, are not acceptable. If information is not available or not applicable, say so explicitly in the text box.

3.9 File Naming Conventions

The following document naming conventions must be followed without exception.

Attachments
When submitting documents that are not based on a template file provided with the RFP, your files should be named using the following convention, if the attachment is associated with a specific question:

<VENDOR Name>-<SECTION Name>-<QUESTION #>.<FILE extension>

Remember, as noted above, an unsolicited attached file may NOT be provided as a substitute for answering the question fully in the space and manner provided. Alternatively, if the attachment is not associated with a specific question, the naming should be:

<VENDOR Name><SHORT title>.<FILE extension>

Please submit only Microsoft Office documents; other formats cannot be read by all users, and will not be reviewed.

3.10 Proprietary Information

You may designate those portions of your proposal, if any, which contain information you consider confidential. You may not deem the entire proposal to be confidential. The California Public Records Act limits the University's ability to withhold proposal data unless the information is exempted under, or disclosure is prohibited by, federal or state law. If your proposal contains information you consider to be trade secrets that you do not want disclosed to the public or used by the University for purposes other than evaluation of the vendor's eligibility and the proposal, you may designate that portion of your proposal to be confidential by clicking on a checkbox marked “Confidential” that appears within each question in Proposal Tech.

In the event of a request for proposal inspection, UC will notify the vendor of the request. The University will determine whether, in its opinion, any of the information designated confidential may be withheld under applicable law. The University will inform the vendor of whether it plans to comply with the request before it discloses any information. The University will not be liable to the vendor for any alleged damages or losses attributable to disclosure of such information.

3.11 Performance Standards Agreement

UC maintains performance service level agreements with several of its vendors, with portions of the vendor's compensation at risk for failing to meet these standards. For purposes of this RFP, vendors will be assessed on their willingness to meet the performance standards as described in question 23 in Section 5.3. These performance standards, measurements and fees at risk, as well as possibly others, are subject to negotiation regarding content and targets. At a minimum, vendors are expected to put at least 5% of per member fees at risk for not meeting the agreed upon performance standards. Actual fees at risk will be negotiated as discussed in Section 2.10. Successful vendors must also be able and fully committed to support UC with all aspects of the implementation process.

3.12 Subcontractors

Vendors are encouraged to submit a proposal on all of the requested services they offer. If you are working with subcontractors on certain features, please integrate the subcontracted portion of the proposal with your proposal to present a comprehensive package. (Note: Subcontractors must agree to perform all services and house all UC data within the United States.) If you work with multiple subcontractors for a given function or feature, you must select one entity for purposes of this proposal. It is the responsibility of the principal vendor to make certain that all questions and aspects of this RFP are properly completed and reflect all aspects of the participating entities. The vendor awarded this contract will be responsible for the performance of all subcontractors in meeting service levels, compliance requirements, and information security requirements as specified by UC.

4 General Vendor Requirements

4.1 Pre-qualification Requirements

The pre-qualification process is designed to screen all potential bidders to verify they meet minimum RFP requirements for the Plans. This process enables the University to fulfill the commitment to both process improvement and cost containment by screening candidates for initial suitability. It is anticipated that this screening process will also be valuable to your organization for the same reasons.

Pre-qualification requirements must be met in order for your proposal to be considered. These requirements must be met as of 5:00 P.M. Pacific time on May 6, 2008 in order to progress with submitting a RFP response. You must be able to answer the following five questions below in the affirmative to satisfy the pre-qualification requirements.

4.2 Does your organization provide defined benefit administration services for at least two clients that each have at least 50,000 members? If yes, please list the names of these clients.

4.3 Does your organization provide retirement (defined benefit or defined contribution) services for at least two clients that each have at least 100,000 members? If yes, please list the names of these clients.

4.4 Will your organization be able to comply with the requirements of the California Information Practices Act, especially California Senate Bill 1386 (i.e., disclosure of any security breach)?

4.5 Will all services be performed and will all UC data be housed within the United States?

4.6 Do you agree to put at least 5% of agreement fees at risk?

5 Structure and Processes

5.1 Your Organization

5.1.1 What is the full name of your organization and the address and telephone number for the location of your principal executive (home) offices?

5.1.2 What is the structure and ownership of your organization? Are you owned or operated by a parent company?

5.1.3 Please describe the service group(s), (including their locations and interrelationships) which provide benefit administration services.

5.1.4 With respect to Defined Benefit (DB) administration services, please identify the following:

	Response	**How many of these are public sector plans?**
How many years have you provided full DB administration services (similar to Model 1 as described in Section 1.4.)?	*Number*	
Number of plans and members you serve?	*Number*	
Median plan size (members)?	*Number*	
Number of plans with less than 10,000 members?	*Number*	*Number*
Number of plans with 10,001 to 50,000 members?	*Number*	*Number*
Number of plans with 50,001 to 100,000 members?	*Number*	*Number*
Number of plans with 100,001 to 200,000 members?	*Number*	*Number*
Number of plans with 200,001+ members?	*Number*	*Number*
Average length of DB administration service relationships? (in years)	*Number*	
Describe your experience with administering public sector DB plans.	*Text*	
Describe your experience with administering DB plans with union employees?	*Text*	

5.1.5 With respect to Defined Contribution (DC) administration services, please identify:

	Response	How many of these are public sector plans?
How many years have you provided DC administration services?	*Number*	
Number of plans and members you serve?	*Number*	
Median plan size (members)?	*Number*	
Number of plans with less than 10,000 members?	*Number*	*Number*
Number of plans with 10,001 to 50,000 members?	*Number*	*Number*
Number of plans with 50,001 to 100,000 members?	*Number*	*Number*
Number of plans with 100,001 to 200,000 members?	*Number*	*Number*
Number of plans with 200,001+ members?	*Number*	*Number*
Average length of DC administration service relationships? (in years)	*Number*	
Describe your experience with administering public sector DC plans.	*Text*	
Describe your experience with administering DC plans with union employees?	*Text*	

5.1.6 With respect to Postretirement Health and Welfare ("PHW") administration services, please identify:

	Response	How many of these are public sector plans?
How many years have you provided PHW administration services?	*Number*	
Number of plans and members you serve?	*Number*	
Median plan size (members)?	*Number*	
Number of plans with less than 10,000 members?	*Number*	*Number*
Number of plans with 10,001 to 50,000 members?	*Number*	*Number*
Number of plans with 50,001 to 100,000 members?	*Number*	*Number*
Number of plans with 100,001 to 200,000 members?	*Number*	*Number*
Number of plans with 200,001+ members?	*Number*	*Number*
Average length of PHW administration service relationships? (in years)	*Number*	
Describe your experience with administering public sector PHW plans.	*Text*	
Describe your experience with administering PHW plans with union employees?	*Text*	

5.1.7 With respect to active employee Health & Welfare (H&W) administration services, please identify:

	Response	How many of these are public sector plans?
How many years have you provided H&W administration services?	*Number*	
Number of plans and members you serve?	*Number*	
Median plan size (members)?	*Number*	
Number of plans with less than 10,000 members?	*Number*	*Number*
Number of plans with 10,001 to 50,000 members?	*Number*	*Number*
Number of plans with 50,001 to 100,000 members?	*Number*	*Number*
Number of plans with 100,001 to 200,000 members?	*Number*	*Number*
Number of plans with 200,001+ members?	*Number*	*Number*
Average length of H&W administration service relationships? (in years)	*Number*	
Describe your experience with administering public sector H&W plans.	*Text*	
Describe your experience with administering H&W plans with union employees?	*Text*	

5.1.8 List the number of clients and provide a description of the other benefit and/or human resource administrative services you provide to clients with over 100,000 members?

5.1.9 What are your plans for expanding the breadth of your services in the next two years?

5.1.10 Do you subcontract? Please complete the attached table to identify all the subcontracted relationships relevant to administering the services described in this RFP, including but not limited to defined benefit payroll services.

	Services you subcontract	Name of the subcontractor?	How long has this subcontractor been performing services for you?	Where is the subcontractor located; this includes all services?
1	*Text*	*Text*	*Text*	*Text*
2	*Text*	*Text*	*Text*	*Text*
3	*Text*	*Text*	*Text*	*Text*
4	*Text*	*Text*	*Text*	*Text*
5	*Text*	*Text*	*Text*	*Text*
6	*Text*	*Text*	*Text*	*Text*
7	*Text*	*Text*	*Text*	*Text*

5.2 Your Account Management Approach

UC RFP #UCOP-HRB/DB Admin/2008 for Defined Benefit and Other Administration Services

5.2.1 For each group that would be utilized to service the UC account, please provide an organizational chart. Additionally, please complete the following chart, which will provide an overview of the number of employees dedicated to the UC account for each role.

Role (FTEs)	**Customer Service Dedicated Solely to UC**	**Customer Service Shared with Other Clients**	**Administration Dedicated Solely to UC**	**Administration Shared with Other Clients**
Executive	*Text*	*Text*	*Text*	*Text*
Account Management	*Text*	*Text*	*Text*	*Text*
Implementation	*Text*	*Text*	*Text*	*Text*
Communications	*Text*	*Text*	*Text*	*Text*
Ongoing Administration	*Text*	*Text*	*Text*	*Text*
Technical Experts	*Text*	*Text*	*Text*	*Text*
Other (please specify)	*Text*	*Text*	*Text*	*Text*

5.2.2 Please complete Attachment 25 for each of the following roles. Clearly describe the roles and responsibilities for each person that would be utilized to service the UC account.
a. Executive with binding authority
b. Account Management
c. Implementation Specialist
d. Communications Leader
e. Ongoing Administration Lead
f. Technical Expert
g. Other(s)

1: Attached,
2: Not provided

Attached Document: 25 - Resume Template.doc

5.2.3 Will UC be able to select an Account Manager?

5.2.4 What geographic locations will provide administration, customer service, and other functions to UC?

5.2.5 Clearly indicate what functions will be performed in each location and the number of employees in each location.

5.2.6 How often will the Account Manager meet with UC?

5.2.7 Will team members be available to meet on an ad hoc basis?

5.2.8 How would you make certain that UC contacts are kept informed regarding day-to-day operations, escalations and customer appeals?

5.2.9 Describe your approach to make certain that a successful handoff is facilitated if the implementation team and service teams are different.

5.2.10 Please complete the following chart by providing two references for existing DB administration clients with over 50,000 members, two references for existing public sector administration clients and one reference for a DB administration client that was implemented within the last two years, if not the same as one of the above.

	Client	Number of members	Year Acquired	Services Provided	Contact
1	*Text*	*Text*	*Text*	*Text*	*Text*
2	*Text*	*Text*	*Text*	*Text*	*Text*
3	*Text*	*Text*	*Text*	*Text*	*Text*
4	*Text*	*Text*	*Text*	*Text*	*Text*
5	*Text*	*Text*	*Text*	*Text*	*Text*

5.2.11 Please complete the following chart by providing two references for the largest DB administration clients that have terminated your services within the last three years, for reasons other than mergers and acquisitions.

	Client	Number of members	Year Acquired	Year Lost	Reason Lost	Contact
1	*Text*	*Text*	*Text*	*Text*	*Text*	*Text*
2	*Text*	*Text*	*Text*	*Text*	*Text*	*Text*

5.2.12 To your knowledge, is your organization involved in any pending mergers, acquisitions and/or divestitures? If so, how would this impact your business?

5.3 Process and Quality Controls

5.3.1 Describe the approach your organization takes to effect “continuous quality improvement.”

5.3.2 How do you conduct “root cause analysis” when system or operational errors are identified? What steps are taken to prevent future occurrences?

5.3.3 Describe the controls your organization uses to test and maintain data quality.

5.3.4 Who is responsible for establishing, executing and monitoring the data and quality controls? Are there dedicated staff who are assigned these responsibilities?

5.3.5 Which types of data errors or questionable items are automatically detected (“kicked out”) by your systems? Which are detected through manual checks? Outline the types and frequency of random and periodic data “spot checks.”

5.3.6 Describe your approach to validating, testing and loading data (historical and ongoing) into your systems.

5.3.7 How do you resolve missing, inconsistent or ambiguous data during a conversion? How do you resolve missing, inconsistent or ambiguous data on an ongoing basis?

5.3.8 Discuss the methodology used to update employee data, specifying:
a. The data edits that are performed before data is used to update permanent records;
b. The process used to correct employee data that fails any data edits; and
c. The documentation of who changed the employee data and why.

5.3.9 For the benefit calculation modules, describe your firm's error tracking system. Explain how errors are reported, how priorities for errors are assigned, how corrections are provided back to UC, the typical timeframe for responding to errors, and how issues are formally closed.

5.3.10 How do you validate that systems changes or coding changes that may affect the data interfaces are communicated to all parties (e.g. trustee, check writer, UC)?

5.3.11 How do you verify adherence to data file transmission and processing schedules? Describe your notification procedures to UC if files are not received from UC or external vendors as scheduled. Describe your notification procedures to UC if files are not delivered to UC or external vendors as scheduled.

5.3.12 Describe the control mechanism you employ to verify that electronic files are not processed more than once.

5.3.13 Describe the controls your organization establishes to test compliance of client defined benefit administration to documented procedures, client business requirements and external (Internal Revenue Service ("IRS"), Department of Labor ("DOL")) requirements? Who is responsible for establishing, executing and monitoring the controls? Are the results shared with your clients?

5.3.14 Would your organization routinely conduct internal benefit administration audits relating specifically to UC's plan administration?

5.3.15 If the answer to Question 14 is yes, describe how the audit would verify that documented processing procedures for the UC defined benefit plans are actually being applied and followed in the day-to-day functions performed by the administration team. Are the results shared with your clients?

5.3.16 Describe your documented quality control procedures and how they are implemented consistently throughout your organization.

5.3.17 Are your defined benefit plan administration procedures Sarbanes-Oxley compliant?

5.3.18 Do you document all administrative procedures? Does this documentation include customized or client-specific procedures? How is this documentation maintained? Do you provide copies or access to clients? If yes, provide a sample.

5.3.19 Do you maintain an integrated knowledge base or support multiple databases that need to be synchronized to remain consistent? If multiple databases are maintained, how is the synchronization executed?

5.3.20 Describe the customized procedure, business requirements manuals, or specification documents (e.g. for benefit calculations) utilized internally by your administration team that would be provided to UC. Is this information different from the documentation described in Question 18? How will updates to these documents be managed and effectively communicated to the administration team and client?

5.3.21 Describe how you organize and manage the change process including:
a. Format, content, process to document client requirements;
b. Roles and responsibilities of UC and vendor;
c. Development and testing of system programming changes;
d. Analysis of the customer service impact;
e. Service representative training;
f. Updating hypertext screens, workflows, and other systems supporting service center operations;
g. Documentation updates; and
h. Project management, including status reporting and verification of completion.

5.3.22 What controls are in place to verify that fulfillment of member communications forms is accurate (e.g. correct and current forms provided, information contained within the forms is accurate)?

5.3.23 Please indicate for each performance standard whether you agree to:

- “Exceed” (propose new standard),
- “Meet”, or
- “Not Meet” (propose new standard).

	Category	**Performance Standard Description**	**Measure**	**Standard**	**Exceed / Meet or Not Meet**	**Proposed New Criteria**
Data Management and Security						
a.	Data Security	All data shall remain secure, consistent with the terms of the UC Model Professional Services Agreement	If any security breach, with respect to data, occurs, a penalty will be assessed.	100% data security at all times.	*MultipleChoice* 1: Exceed, 2: Meet, 3: Not Meet	*Text*
b.	Data Backup	Back-up data and	Back up data to	100%	*MultipleChoice*	*Text*

		current software versions are kept and backup hardware is available for emergency/disaster situations.	an off-site location no less frequently than once every 24 hours.		1: Exceed, 2: Meet, 3: Not Meet	
c.	Time to Load University Member Data	Member data should be posted to the core recordkeeping systems in a timely manner.	Timely manner is defined as within two business days from when data is received.	95%	*MultipleChoice* 1: Exceed, 2: Meet, 3: Not Meet	*Text*
Record Keeping						
d.	Update Member Data Accurately	Accurately update the Plans' member data based on employee and manager self-service data changes.	Accurately is calculated as the number of self-service updates performed accurately divided by the total number of self-service updates.	99%	*MultipleChoice* 1: Exceed, 2: Meet, 3: Not Meet	*Text*
e.	Data File Distribution Accuracy	Distribute data files to other vendors accurately.	Accurately is calculated as the number of data files delivered with accurate data divided by the total number of data files delivered.	99%	*MultipleChoice* 1: Exceed, 2: Meet, 3: Not Meet	*Text*
f.	Data File Distribution Timeliness	Distribute data files to other vendors in the agreed upon timeframe.	Calculated as the number of data files delivered on time divided by the total number of data files delivered.	95%	*MultipleChoice* 1: Exceed, 2: Meet, 3: Not Meet	*Text*
Reporting						
g.	Plan Sponsor Reporting	Production and delivery of scheduled and unscheduled	The measure is calculated by dividing the total number of on-	95%	*MultipleChoice* 1: Exceed, 2: Meet, 3: Not Meet	*Text*

		reports in electronic format, or via other specified format, on or before the mutually agreed upon delivery date.	time reports divided by the number of requested reports.			
Compliance						
h.	Compliance with Federal and State Laws	Comply with all federal and state laws at all times while administering the Plans.	If the administration of the Plans is determined to not be compliant with federal or state law at any time, a penalty will be assessed.	100% compliant at all times	*MultipleChoice* 1: Exceed, 2: Meet, 3: Not Meet	*Text*
i.	Tax Form Preparation Accuracy	Prepare tax withholding reports and forms accurately.	Accurately is calculated as the number of tax withholding forms prepared accurately divided by the total number of tax forms prepared.	99%	*MultipleChoice* 1: Exceed, 2: Meet, 3: Not Meet	*Text*
j.	Tax Form Preparation Timeliness	Prepare and file tax withholding reports and forms in the agreed upon timeframe.	Calculated as the number of tax forms prepared and filed on time divided by the total number of tax forms prepared and filed.	99%	*MultipleChoice* 1: Exceed, 2: Meet, 3: Not Meet	*Text*
Benefit Calculations						
k.	Benefit Calculations Accuracy	Benefit calculations are processed accurately. These include: • Benefit	The measure is calculated as the number of audited transactions that pass divided by the total number	99%	*MultipleChoice* 1: Exceed, 2: Meet, 3: Not Meet	*Text*

		estimates • Final retirement benefit calculations • Death calculations • Disability calculations	of transactions audited.			
l.	Benefit Calculations Timeliness	Benefit calculations are processed in a timely manner. These include: • Benefit estimates • Final retirement benefit calculations • Death calculations • Disability calculations	Timely manner is defined as less than or equal to 5 days from the time the calculation is requested by the member or the University.	95%	*MultipleChoice* 1: Exceed, 2: Meet, 3: Not Meet	*Text*
Postretirement Health and Welfare Administration						
m.	Eligibility Determination Accuracy	Determine and verify member eligibility for postretirement health and welfare benefits accurately.	Accurately is calculated as the number of determinations made accurately divided by the total number of determinations made.	99%	*MultipleChoice* 1: Exceed, 2: Meet, 3: Not Meet	*Text*
n.	Open Enrollment Accuracy	Conduct annual open enrollment activities	Accurately is calculated as the number of	99%	*MultipleChoice* 1: Exceed, 2: Meet, 3: Not Meet	*Text*

		accurately.	elections processed accurately divided by the total number of elections processed.			
o.	Open Enrollment Timeliness	Conduct annual open enrollment activities in the agreed upon timeframe.	Calculated as the number of elections processed on time divided by the total number of elections processed.	95%	*MultipleChoice* 1: Exceed, 2: Meet, 3: Not Meet	*Text*
Customer Service						
p.	Call Center Availability	CSRs are able to take member calls, access the record keeping system, and submit transactions during regular Call Center hours.	Availability is calculated as the number of hours the Call Center is available to receive member calls divided by the total number of hours the Call Center is scheduled to be available.	99%	*MultipleChoice* 1: Exceed, 2: Meet, 3: Not Meet	*Text*
q.	Blocked Calls	Members do not receive a busy signal when calling Customer Service.	The measure is calculated as the total number of telephone calls with busy signals divided by the total number of telephone calls.	Less than or equal to 1%.	*MultipleChoice* 1: Exceed, 2: Meet, 3: Not Meet	*Text*
r.	Call Abandonment	Calls initiated by and disconnected by the caller prior to speaking with a CSR are limited.	This measure is calculated as the number of abandoned calls divided by the total number of telephone calls (excludes calls	Less than or equal to 5%.	*MultipleChoice* 1: Exceed, 2: Meet, 3: Not Meet	*Text*

			abandoned in the first 20 seconds.)			
s.	Call Center Wait Time	The amount of time a member waits to speak with a CSR is limited.	Wait time is calculated from the time a caller initiates a call to the time the caller reaches a CSR.	80% of the calls are answered within 30 seconds.	*MultipleChoice* 1: Exceed, 2: Meet, 3: Not Meet	*Text*
t.	Case Management	Time needed to resolve member inquiries requiring investigation is limited.	The number of business days required to resolve member inquiries, after receipt of necessary information from University, member or third party.	90% customer inquiries are resolved in 5 business days; 100% resolved in 10 business days.	*MultipleChoice* 1: Exceed, 2: Meet, 3: Not Meet	*Text*
u.	Member Satisfaction	Member satisfaction with Customer Service is measured through a standard satisfaction survey.	Throughout the year, randomly selected members will be surveyed. Performance is measured through the percentage of members' agreement that the service is of high quality.	80% of surveyed members agree that service is of high quality or better	*MultipleChoice* 1: Exceed, 2: Meet, 3: Not Meet	*Text*
Internet Self Service						
v.	Internet Self Service Availability	The Internet Self Service system, and all of its functionality, is available to members.	Calculated as the total number of hours the Internet Self Service system, and all of its functionality, is available divided	100% (except for scheduled downtime)	*MultipleChoice* 1: Exceed, 2: Meet, 3: Not Meet	*Text*

			by the total number of hours it is scheduled for availability.			
Accounting and Banking						
w.	Accuracy of Transmission of Retiree Payroll	Retiree payroll and interfaces are accurate.	The measure is calculated as the number of checks disbursed accurately divided by the total number of checks disbursed.	99%	*MultipleChoice* 1: Exceed, 2: Meet, 3: Not Meet	*Text*
x.	Timely Transmission of Retiree Payroll	Processing of retiree payroll and related interfaces are accomplished within the agreed upon timeframe.	Timeliness is calculated as the number of retiree payroll reports and/or interfaces that were sent on time divided by the total number of reports and/or interfaces that were scheduled.	99%	*MultipleChoice* 1: Exceed, 2: Meet, 3: Not Meet	*Text*
Member Communications						
y.	Timeliness	Communications (web and print) for members are delivered in a timely manner. Communications will include but are not limited to: • Change notifications • Summary Plan Descriptions • Age 70.5	Timeliness is calculated as the number of communications that were sent on time divided by the total number of agreed upon communications. The accepted timing of each deliverable will be mutually agreed upon in advance.	95%	*MultipleChoice* 1: Exceed, 2: Meet, 3: Not Meet	*Text*

		notifications • Annual benefit statements • Summary of Material Modifications				

5.3.24 Are you willing to put at least 10% of per member fees at risk if agreed upon performance standards are not met?

5.3.25 Are you willing to put at least 15% of per member fees at risk if agreed upon performance standards are not met?

5.3.26 Describe your internal audit standards for benefit calculations. How many calculations and/or what kinds of calculations are audited? How frequently are audits performed on calculations? Do you communicate the results to your clients? Are there situations where the client becomes involved in the audit?

5.3.27 How are changes or modifications to manual benefit calculation procedures and tools monitored and approved? Include a description of the staff level authorized to make these changes and how the changes would be communicated to UC.

5.3.28 Describe the process and controls in place to review manual benefit calculations, and documentation surrounding manual calculation procedures.

5.3.29 Describe your internal audit processes. Include the number of auditors that would be dedicated to UC, the type or nature of audits and the frequency and follow-up procedures.

5.3.30 Describe how you would support audits of dependent eligibility for both defined benefit and postretirement health and welfare plans.

5.3.31 Do you allow/encourage periodic on-site client audits?

5.3.32 Describe the audit trails maintained within your administration and case management systems for changes to member data, eligibility, calculations, etc.

5.3.33 What types of manual overrides are possible? What types of audit trails are used for these changes? What security is in place to control the manual overrides?

5.3.34 Do you have an annual SAS No. 70 Type II Review performed? If so, at what level? If not, are you willing to have a SAS No. 70 Type II Review performed at no cost to UC, as required?

5.3.35 Do you maintain any International Organization of Standardization (“ISO”) 9000 certifications? If so, which ones?

5.3.36 Do you maintain an ISO 27001 certification?

6 Knowledge Transfer

6.1 Functional Requirements

6.1.1 The following matrix lists the possible Knowledge Transfer requirements for administration of the University's Plans. Please indicate and clarify which functions are supported and included in your pricing (please base all responses to this question based on sourcing Model 1 as described in Section 1.4.):

	Response	**Comment (optional)**
Sharing information with UC on regular basis regarding day-to-day administration operations, member tendencies, issues and recommended policy changes, etc.	*Checkbox*	*Text*
Voice mail capabilities between UC and vendor	*Checkbox*	*Text*
Email capabilities between UC and vendor	*Checkbox*	*Text*
Other Knowledge Transfer capabilities that will be included in the per member fees (Section 20). Please describe all additional services that apply.	*Checkbox*	*Text*

6.2 Other Knowledge Transfer Questions

6.2.1 Describe other collaborative/knowledge transfer services that you provide to your administration clients.

7 Data Management and Security

7.1 Functional Requirements

7.1.1 The following matrix lists the possible requirements for administration of the University's Plans. Please indicate and clarify which functions are supported and included in your pricing (please base all responses to this question based on sourcing Model 1 as described in Section 1.4.):

Data Management	**Response**	**Comment (optional)**
1. Compile data from 13 different payroll locations on a monthly basis	*Checkbox*	*Text*
2. Compile periodic interface updates from UC's HRIS/payroll systems	*Checkbox*	*Text*
3. Develop disaster recovery services	*Checkbox*	*Text*

4. Develop business continuation services	*Checkbox*	*Text*
5. Develop system security setup and control	*Checkbox*	*Text*
6. Other Data Management capabilities that will be included in the per member fees (Section 20). Please describe all additional services that apply.	*Checkbox*	*Text*

7.2 Other Data Management and Security Questions

7.2.1 Human resources and benefits information is highly confidential and must be protected from unauthorized access and use. Security of data is of utmost importance to the University. Certain types of information are considered protected data and laws and policy govern how they are stored and used. Any system must conform to these laws and policies and be able to restrict access to database segments by user roles.

7.2.2 Describe your protocols for unauthorized access and restricted access by role.

7.2.3 Will you comply with the California Information Practices Act, most notably California Senate Bill 1386?

7.2.4 Does your company employ the use of Intrusion Protection tools?

7.2.5 Describe your ability to support electronic in-bound and out-bound file transmissions. Please explain the transfer methods your system can support.

7.2.6 Do you have the ability to provide for secure communication channels, either for emails or document exchanges? Please describe in brief.

7.2.7 Can specific data elements such as Social Security Number and date of birth be further secured within the database? If so, how is this done?

7.2.8 Can you electronically redact sensitive information (such as Social Security Number and employee number) from communications to members of the Plans?

7.2.9 Describe the security provisions within your system.

7.2.10 Describe your process for auditing data access and changes?

7.2.11 Does your company have a disaster recovery plan used to achieve business resumption within an acceptable timeframe? Describe your documented disaster recovery plan.

7.2.12 How often do you test your recovery system?

7.2.13 Do you have a secondary processing site?

7.2.14 Describe how you secure your self-service systems on the Web.

7.2.15 Is your Web interface integrated into your administrative systems so as to allow virtually real-time data management?

7.2.16 Do your systems have capabilities to support single sign-on access through UC's internal portal web site? The University of California utilizes processes and protocols of UCTrust and the InCommon Federation to identify and authenticate members of its community to web-based applications and contracted service providers. Further information about UCTrust is available at http://www.ucop.edu/irc/itlc/uctrust, and information about InCommon is available at http://www.incommonfederation.org.

7.2.17 Describe your policies on securing client data on laptops and desktops.

7.2.18 Has your company experienced any data loss or data exposure in the last five years? If so, please describe.

7.2.19 Does your company certify that all services will be performed and that all UC data will be housed within the borders of the United States and that the data will not be transferred outside of the country either by vendor, subcontractor and/or any assignee or transferee?

7.2.20 19. Would your firm have any objections in accepting the terms of the UC Model Professional Services Agreement, Attachment 21? If so, please list out your specific objections. Please note that finalists will be expected to provide a red-lined version of the UC Model Professional Services Agreement during the finalists presentations scheduled for July 21, 2008 through July 23, 2008.

7.2.21 Confirm that your organization will comply with the additional data security terms found in the UC Model Professional Services Agreement, Attachment 21.

1: Confirm,
2: Not Confirmed

8 Record Keeping

8.1 Functional Requirements

8.1.1 The following matrix lists the possible Record Keeping requirements for administration of the University's Plans. Please indicate and clarify which functions are supported and included in your pricing (please base all responses to this question based on sourcing Model 1 as described in Section 1.4.):

	Response	**Comment (optional)**
1. Maintain and update indicative data for members (name, SSN, date of birth, address, job codes, work location, etc.)	*Checkbox*	*Text*
2. Maintain employment status history (including dates – hire, dates of leave, dates of disability, termination, re-hire, retirement, death, etc) for tracking "break in service" rules and to be able to perform service calculations	*Checkbox*	*Text*

3. Maintain and update credited and vesting service history, including hours worked, if applicable	*Checkbox*	*Text*
4. Maintain and update plan compensation history	*Checkbox*	*Text*
5. Determine defined benefit eligibility (based on indicative data and plan provisions)	*Checkbox*	*Text*
6. Process plan transfers for members, if applicable	*Checkbox*	*Text*
7. Maintain and update final average earnings	*Checkbox*	*Text*
8. Maintain and update current accrued benefits	*Checkbox*	*Text*
9. Maintain historical accrued benefits	*Checkbox*	*Text*
10. Maintain and update Normal Retirement and Early Retirement benefit amounts and all optional form benefit amounts	*Checkbox*	*Text*
11. Maintain "grandfathered" benefits and service	*Checkbox*	*Text*
12. Maintain Capital Accumulation Payment (CAP) balances	*Checkbox*	*Text*
13. Process and maintain designated beneficiary(ies) and alternate payee(s) records, including relevant indicative and plan data	*Checkbox*	*Text*
14. Maintain Section 415(m) Restoration Plan benefits	*Checkbox*	*Text*
15. Maintain PERS Plus 5 Plan benefits	*Checkbox*	*Text*
16. Maintain postretirement health and welfare plan data	*Checkbox*	*Text*
17. Administer disability benefits, case review, and retirement crossover	*Checkbox*	*Text*
18. Update member data for employee self-service, manager self-service and other member initiated (i.e., retirement elections, etc) changes	*Checkbox*	*Text*
19. Notify UC of member’s change in status	*Checkbox*	*Text*
20. Track member appeals	*Checkbox*	*Text*
21. Maintain QDRO documents and related data and benefits (includes determination of qualifying a “DRO”)	*Checkbox*	*Text*
22. Maintain Power of Attorney (POA) documents and related data and benefits	*Checkbox*	*Text*
23. Develop and maintain interfaces to UC, health insurance providers, actuary, and other parties	*Checkbox*	*Text*
24. Conduct data integrity and clean up activities	*Checkbox*	*Text*
25. Periodic reconciliation of employee populations (actives, retirees, inactives, deaths, disabled, etc.) with external vendors (e.g., actuary, trustee)	*Checkbox*	*Text*
26. Conduct lost member searches	*Checkbox*	*Text*
27. Conduct lost beneficiary searches	*Checkbox*	*Text*
28. Conduct death audits	*Checkbox*	*Text*
29. Form bar coding	*Checkbox*	*Text*
30. Other Record Keeping capabilities that will be included in the per member fees (Section 20). Please describe all additional services that apply.	*Checkbox*	*Text*

8.2 Other Record Keeping Questions

8.2.1 Describe your capabilities for maintaining and keeping employee records.

8.2.2 Describe your policy surrounding the retention of employee records.

8.2.3 Explain how your system would track service, highest average earnings, accrued benefits, grandfathered benefits and other critical data components for the University's Plans.

8.2.4 Explain how your system would accommodate the recognition of past service for employees, rehires, transfers and suspension of benefits for rehires.

8.2.5 Describe your capabilities in finding lost members.

8.2.6 Describe your capabilities in finding lost beneficiaries.

8.2.7 Describe your capabilities in conducting death audits (for pension and postretirement health and welfare members, as well as spouses/dependents).

8.2.8 Describe your organization's procedures for maintaining and changing member tax withholding information.

8.2.9 Define how you will administer and report on State and local tax withholding.

8.2.10 Describe your process for setting up benefit payments with an outside trustee, including management of interfaces.

8.2.11 How are data errors identified and how do you adjust accrued benefits affected by erroneous data?

8.2.12 Describe your historical record storage capability.

8.2.13 Describe your capability to store prior plan information (i.e., prior plan data, grandfathered benefits).

8.2.14 Describe your ability to administer the Plans if historical information is not available electronically.

8.2.15 Describe your system capabilities to track, monitor and administer transfers (in and out).

8.2.16 Can third party payees be established in the system?

8.2.17 Describe your capabilities in Master Trust record keeping.

8.2.18 Describe your capabilities of segment reporting by different locations.

9 Reporting

UC RFP #UCOP-HRB/DB Admin/2008 for Defined Benefit and Other Administration Services

9.1 Functional Requirements

9.1.1 The following matrix lists the possible Reporting requirements for administration of the University's Plans. Please indicate and clarify which functions are supported and included in your pricing (please base all responses to this question based on sourcing Model 1 as described in Section 1.4.):

	Response	**Comment (optional)**
1. Provide plan statistics including member activity and volumes for plan sponsor use	*Checkbox*	*Text*
2. Call center reports (availability, usage, transactions, case aging, etc.)	*Checkbox*	*Text*
3. Internet performance reports (availability, usage, transactions, case aging, etc.)	*Checkbox*	*Text*
4. Quality reports (results of call monitoring for accuracy and call handling)	*Checkbox*	*Text*
5. Standard reporting (indicative, management)	*Checkbox*	*Text*
6. Combined activity reports (web, call center, and case management aggregate statistics)	*Checkbox*	*Text*
7. Provide on-line access and report writing capabilities (ad hoc reporting on demand)	*Checkbox*	*Text*
8. Provide access to vendor book of business/survey databases for special reporting purposes	*Checkbox*	*Text*
9. Other Reporting capabilities that will be included in the per member fees (Section 20). Please describe all additional services that apply.	*Checkbox*	*Text*

9.2 Other Reporting Questions

9.2.1 Provide a list of the standard management reports offered. Describe the purpose of each report and the frequency and timing. Please provide samples of these reports.

1: Attached,
2: Not provided

9.2.2 Do you provide a remote access service or Internet site for UC's management to view plan and member information? Please describe.

9.2.3 Do you provide an ad hoc report tool for UC's management to customize reports? If so, describe how and what UC management can do to generate customized reports.

9.2.4 Describe the costs associated with ad hoc customized reporting.

10 Compliance

UC RFP #UCOP-HRB/DB Admin/2008 for Defined Benefit and Other Administration Services

10.1 Functional Requirements

10.1.1 The following matrix lists the possible Compliance requirements for administration of the University's Plans. Please indicate and clarify which functions are supported and included in your pricing (please base all responses to this question based on sourcing Model 1 as described in Section 1.4.):

	Response	**Comment (optional)**
1. Administer all benefit payments and practices in compliance with applicable Federal and State laws and regulations, as well as comply with the UC's plan documents and Group Insurance Regulations	*Checkbox*	*Text*
2. Request letters of direction when provided policy does not address particular issues	*Checkbox*	*Text*
3. Draft updates to plan documents for plan amendments	*Checkbox*	*Text*
4. Provide Medicare administration / coordination for postretirement health and welfare plan members	*Checkbox*	*Text*
5. Update and distribute documents and information to members for all Plans	*Checkbox*	*Text*
6. Review and evaluate Federal and State provisions that impact the Plans and members and adjust administrative practices accordingly	*Checkbox*	*Text*
7. Respond to external audits of the Plans	*Checkbox*	*Text*
8. Respond to internal audits of the Plans	*Checkbox*	*Text*
9. Allow access to your system for external audits of the Plans	*Checkbox*	*Text*
10. Allow access to your system for internal audits of the Plans	*Checkbox*	*Text*
11. Allow access to your facilities for external audits of the Plans	*Checkbox*	*Text*
12. Allow access to your facilities for internal audits of the Plans	*Checkbox*	*Text*
13. Coordinate with UC, including the 13 payroll locations on data issues	*Checkbox*	*Text*
14. Coordinate with the University's General Counsel on all escalated legal issues	*Checkbox*	*Text*
15. Other Compliance capabilities that will be included in the per member fees (Section 20). Please describe all additional services that apply.	*Checkbox*	*Text*

10.2 Other Compliance Questions

10.2.1 How do you monitor legislative and regulatory issues?

10.2.2 Describe your communications to plan sponsors regarding compliance issues, legislative and regulatory changes.

10.2.3 What is your response time for system updates due to legislative and/or regulatory changes? Are there any limitations which UC should be aware of?

10.2.4 What is your response time for system updates due to plan design changes? Are there any limitations which UC should be aware of?

10.2.5 Explain in detail the reports you would generate to maintain compliance with all regulatory requirements for reporting to plan members and government agencies.

10.2.6 Explain how you determine whether or not a Domestic Relations Order is qualified.

10.2.7 Explain how you determine whether a Power of Attorney is valid.

11 Benefit Calculations

11.1 Functional Requirements

11.1.1 The following matrix lists the possible Benefit Calculation requirements for administration of the University's Plans. Please indicate and clarify which functions are supported and included in your pricing (please base all responses to this question based on sourcing Model 1 as described in Section 1.4.):

	Response	**Comment (optional)**
1. Calculate vested status and credited service	*Checkbox*	*Text*
2. Calculate final average earnings	*Checkbox*	*Text*
3. Calculate accrued benefits and lump sum amounts	*Checkbox*	*Text*
4. Benefit estimates and projections	*Checkbox*	*Text*
5. Process contribution redeposits and service credit "buy backs" for rehires	*Checkbox*	*Text*
6. Calculate early retirement benefits	*Checkbox*	*Text*
7. Calculate normal retirement benefit	*Checkbox*	*Text*
8. Calculate optional forms of benefit	*Checkbox*	*Text*
9. Death/Survivor benefit calculations	*Checkbox*	*Text*
10. Disability benefit calculations	*Checkbox*	*Text*
11. Recalculation of benefits due to annual 415(b) limits and COLA's	*Checkbox*	*Text*
12. 415(m) Restoration Plan calculations	*Checkbox*	*Text*
13. "True up" calculations	*Checkbox*	*Text*
14. Age 70½ calculations	*Checkbox*	*Text*
15. Re-retirement calculations for rehired retirees	*Checkbox*	*Text*
16. Provide Social Security benefit estimates and calculations	*Checkbox*	*Text*
17. Calculate QDRO related benefits	*Checkbox*	*Text*
18. Calculate benefits under multiple formulas and/or plans, including	*Checkbox*	*Text*

identification of most valuable formula, application of grandfathered amounts and application of offsets		
19. Benefit calculations due to plan amendments	*Checkbox*	*Text*
20. Batch process calculations (e.g., annual benefit statements, monthly or quarterly sweeps of inactives, retirement windows, benefit improvements)	*Checkbox*	*Text*
21. Determine graduated eligibility for postretirement health and welfare benefits	*Checkbox*	*Text*
22. Calculate the formula driven employer portion of the postretirement health and welfare benefit premiums	*Checkbox*	*Text*
23. Research historical member records (via microfische, micro tape and/or electronic image) when electronic data is challenged.	*Checkbox*	*Text*
24. Other Benefit Calculation capabilities that will be included in the per member fees (Section 20). Please describe all additional services that apply.	*Checkbox*	*Text*

11.2 Other Benefit Calculation Questions

11.2.1 Describe your review standards for benefit calculations. How many, what kinds and how frequently are calculations reviewed? In what situations would UC become involved in the review?

11.2.2 Do your defined benefit administration systems perform benefit calculations only by individual, or can your systems also perform benefit calculations for batch processing of specific groups of members? If batch processing functionality exists, please describe your system capabilities.

11.2.3 If batch calculations can be performed, can the members be specified by either a list of identifying numbers or by certain characteristics such as age/service requirements?

1: Yes,
2: No,
3: N/A

11.2.4 List the types of manual benefit calculations that will still need to be performed after implementation. How are manual benefit calculations reviewed?

11.2.5 Describe how you handle settlement cases, letters of directions, QDRO's.

11.2.6 Describe your process for assuring that benefit estimates, calculations and responses to questions are accurate and complete. Do you review all calculations including estimates and final calculations? If not, how often are calculations reviewed and does this vary by type of calculation (i.e., estimate, retirement, minimum distribution, etc.)?

11.2.7 How does your system calculate the limitations on benefits payable (e.g., 401(a)17, 415(b))?

11.2.8 Please provide a sample benefit statement for a retiree.

1: Attached,
2: Not provided

11.2.9 Please provide a sample benefit statement for an active member, including projected retirement benefits.

1: Attached,
2: Not provided

11.2.10 How frequently and in what formats can projections be produced?

11.2.11 What additional information or education can you provide in conjunction with projections?

12 Postretirement Health and Welfare Administration

12.1 Functional Requirements

12.1.1 The following matrix lists the possible postretirement health and welfare requirements for administration of the University's Plans. Please indicate and clarify which functions are supported and included in your pricing (please base all responses to this question based on sourcing Model 1 as described in Section 1.4.):

	Response	Comment (optional)
1. Process ongoing retiree health and welfare elections	*Checkbox*	*Text*
2. Administer annual postretirement open enrollment	*Checkbox*	*Text*
3. Update postretirement health and welfare deductions annually	*Checkbox*	*Text*
4. Medicare subject matter expertise	*Checkbox*	*Text*
5. Administer initial and ongoing postretirement eligibility, including that of dependents	*Checkbox*	*Text*
6. Administer coordination with Medicare	*Checkbox*	*Text*
7. Ability to coordinate with 3rd party vendor (VSP) that will be administering postretirement vision care benefit	*Checkbox*	*Text*
8. Other Postretirement Health and Welfare Administration capabilities that will be included in the per member fees (Section 20). Please describe all additional services that apply.	*Checkbox*	*Text*

12.2 Other Postretirement Health and Welfare Administration Questions

12.2.1 Describe your experience in administering postretirement health and welfare plans.

12.2.2 Describe how you will handle customer service calls that require coordination with UC's health and welfare providers and/or other vendors.

12.2.3 Describe your experience in coordinating and providing Medicare administration.

12.2.4 Describe your experience in paying Medicare Part B reimbursements to eligible retirees.

12.2.5 Describe how you go about verifying postretirement health and welfare plan eligibility, including eligibility for dependents.

12.2.6 Describe your capabilities in acting as a health advocate and/or patient advocate for members that have questions and/or concerns regarding postretirement health and welfare coverage policies, issues with carriers and/or claims.

13 Customer Service

13.1 Functional Requirements

13.1.1 The following table lists the possible Customer Service requirements for administration of the University's Plans. Please indicate and clarify which functions are supported and included in your pricing (please base all responses to this question based on sourcing Model 1 as described in Section 1.4.):

Call Center Capabilities	Response	Comment (optional)
1. Provide general plan information assistance (i.e., Level 1 assistance)	*Checkbox*	*Text*
2. Provide Level l assistance, plus member-specific information (i.e., Level 2 assistance)	*Checkbox*	*Text*
3. Provide Level 2 assistance, plus transaction processing assistance (i.e., Level 3 assistance)	*Checkbox*	*Text*
4. Form document imaging	*Checkbox*	*Text*
5. Problem tracking and escalation	*Checkbox*	*Text*
6. Opt in from intranet/extranet to CSR	*Checkbox*	*Text*
7. Transfer calls to carriers and other related parties	*Checkbox*	*Text*
8. Capability to receive call transfers from UC to call center	*Checkbox*	*Text*
9. Distribution form generation and approvals online	*Checkbox*	*Text*
10. Inactive account services	*Checkbox*	*Text*
11. Support for hearing impaired	*Checkbox*	*Text*
12. Support for English-as-a-second-language employees	*Checkbox*	*Text*
13. Ability to make address changes for employees	*Checkbox*	*Text*
14. Ability to project and model future member accrued benefits based on assumptions	*Checkbox*	*Text*

15. Maintain amounts of current accrued benefit and optional forms of benefit	*Checkbox*	*Text*
16. Confirmations generated and mailed to members for all activities	*Checkbox*	*Text*
17. Reject invalid transactions at time of request	*Checkbox*	*Text*
18. Maintenance of beneficiary elections for inquiry/reporting	*Checkbox*	*Text*
19. Flexible reporting of call center activities	*Checkbox*	*Text*
20. On-line data for plan sponsor	*Checkbox*	*Text*
21. Access to a CSR without entering a Personal Identification Number ("PIN") and/or account information	*Checkbox*	*Text*
22. Call categorization for tracking purposes	*Checkbox*	*Text*
23. Responsible for responding to inquiries regarding enrollment, eligibility, deductions and general plan questions for the postretirement health and welfare plan.	*Checkbox*	*Text*
24. E-mail correspondence with UC	*Checkbox*	*Text*
25. Voice mail capabilities between UC and new vendor	*Checkbox*	*Text*
26. Fax correspondence between members and new vendor	*Checkbox*	*Text*
27. Fax correspondence between UC and new vendor	*Checkbox*	*Text*
28. Mail fulfillment of requests for forms/documents, including retirement packages, election forms, and change forms	*Checkbox*	*Text*
29. Track incoming and outgoing mail as well as incoming and outgoing conversations electronically	*Checkbox*	*Text*
30. Hypertext scripts for CSRs to validate consistent responses as well as ability to cut and paste responses into member correspondence	*Checkbox*	*Text*
31. Screen "pops" for immediate caller I.D.	*Checkbox*	*Text*
32. Call recording and remote call monitoring capabilities	*Checkbox*	*Text*
33. After hours CSR support capabilities	*Checkbox*	*Text*
34. Data view capability by UC staff	*Checkbox*	*Text*
35. Life event processing	*Checkbox*	*Text*
36. Provide Customer Service support, at a minimum, between 8:00 a.m. – 5:00 p.m. Pacific Time, Monday through Friday	*Checkbox*	*Text*
37. Other Customer Service capabilities that will be included in the per member fees (Section 20). Please describe all additional services that apply.	*Checkbox*	*Text*

13.2 Other Customer Service Questions

13.2.1 Describe the standard process and greeting when your toll-free number is called. Is a custom greeting available for UC employees?

13.2.2 Describe the model of your Customer Service team (in terms of shared or dedicated teams) you will provide UC.

13.2.3 How many CSRs do you have dedicated to Defined Benefit plans?

13.2.4 What volume of member-requested transactions do you address on average each month?

	Response
a. Via Customer Service calls?	*Text*
b. Via Internet self-service?	*Text*

13.2.5 Describe the response procedure to the initial inquiry from an employee who wishes to retire. Describe how the initial request triggers various responses from the system through to the actual payment of the first retirement check. Include details for direct deposit; tax withholdings; payment reconciliation; and details on the timing of the member experience (e.g., length of time it takes from initial inquiry to the time member receives the first retirement check).

13.2.6 Please provide your capabilities in providing customer service for the following:

	Response
a. Defined benefit plans	*Text*
b. Postretirement health and welfare programs	*Text*

13.2.7 Describe how you handle incoming member emails regarding plan inquiries and/or other customer service requests?

13.2.8 Describe your approach to promote use of web capabilities by members.

13.2.9 Describe the qualifications of your service representatives (i.e., experience, licenses, education, and training).

13.2.10 Describe your case management system capabilities.

13.2.11 What security procedures are in place to assure the integrity of phone-based services? Does an audit trail exist for transactions?

13.2.12 What security procedures are in place to assure the integrity of Internet transactions? Does an audit trail exist for transactions?

13.2.13 What security procedures exist to verify that CSRs do not leave sensitive member information unattended?

13.2.14 How do you handle peak volume periods to assure consistent call center performance? Is there a limit to the phone system's capacity to take calls?

13.2.15 Please provide call statistics for the last two years (including calls per employee, average length of call, dropped calls, hold times). How do you trace accuracy and speed in answering inquiries? How do you monitor performance of your representatives?

13.2.16 Please provide your service center performance standards and actual results for the last two years.

13.2.17 What performance standards do you track for member Internet transactions?

13.2.18 Describe the call escalation process. What response times are involved? How are immediate demands to speak with a “supervisor” handled?

13.2.19 Are call center representatives audited during live calls? If so, what is the frequency? If scoring is used, provide the overall scores for the past 2 years?

13.2.20 Describe how call center representatives would be trained on the specifics of the University's Plans. Are proficiency tests administered?

13.2.21 Describe your electronic-SPD tool. Does it use static text or dynamic, personalized information? What are the search capabilities? How is it integrated with your knowledgebase?

13.2.22 Describe your standard retirement counseling services?

13.2.23 Describe your standard survivor counseling services?

13.2.24 Describe your multilingual needs/special needs (including, but not limited to, the visually impaired) accommodations?

14 Internet Self-Service

14.1 Functional Requirements

14.1.1 The following matrix lists the possible Internet Self-Service requirements for administration of the University's Plans. Please indicate and clarify which functions are supported and included in your pricing (please base all responses to this question based on sourcing Model 1 as described in Section 1.4.):

	Response	**Comment (optional)**
1. Provide on-line access to annual, or more frequent, benefit statements	*Checkbox*	*Text*
2. Web-site look and feel customized to UC culture and standards	*Checkbox*	*Text*
3. Available 24 hours per day / 7 days per week	*Checkbox*	*Text*
4. PIN Administration	*Checkbox*	*Text*
5. Capability to escalate issues from Internet to a service representative	*Checkbox*	*Text*
6. General plan information (e.g., SPDs, dates checks were mailed)	*Checkbox*	*Text*
7. Provide open enrollment capabilities, including adding/changing/terminating a dependent	*Checkbox*	*Text*
8. Provide current accrued benefit and vesting service	*Checkbox*	*Text*

9. Benefit calculation initiations	*Checkbox*	*Text*
10. Benefit calculation estimates and projections	*Checkbox*	*Text*
11. Forms request	*Checkbox*	*Text*
12. Record initial / changes to beneficiary designations on line	*Checkbox*	*Text*
13. Capability to track status of cases from Internet site (by member or HR rep)	*Checkbox*	*Text*
14. Internet and DB Administration system integration/reporting	*Checkbox*	*Text*
15. Retirement modeling	*Checkbox*	*Text*
16. On-line forms and communication materials	*Checkbox*	*Text*
17. Employee feedback mechanisms: issues/concerns, surveys, ideas for web-site enhancements	*Checkbox*	*Text*
18. Internal and external hyperlinks (including other vendors)	*Checkbox*	*Text*
19. Other Internet Self-Service capabilities that will be included in the per member fees (Section 20). Please describe all additional services that apply.	*Checkbox*	*Text*

14.2 Other Internet Self-Service Questions

14.2.1 Describe how Internet self-service provides members and plan sponsors access to plan information and the ability to initiate transactions.

14.2.2 Will UC administrative staff have super-user privileges to the Internet self-service feature?

14.2.3 How much training will be provided to UC administrative staff on the use of on-line systems and tools?

14.2.4 Describe the hardware platform and software system used to administer your clients' defined benefit plans.

14.2.5 How is your administrative database integrated with your Internet capabilities and other customer service tools?

14.2.6 Include a description of the environment supporting your service center representatives.

14.2.7 Describe your web environment security protocols and safeguards.

14.2.8 Describe functionality that allows members to communicate with service representatives directly from the web-site (i.e., email, chat, etc).

15 Accounting and Banking

UC RFP #UCOP-HRB/DB Admin/2008 for Defined Benefit and Other Administration Services

15.1 Functional Requirements

15.1.1 The following matrix lists the possible Accounting and Banking requirements for administration of the University's Plans. Please indicate and clarify which functions are supported and included in your pricing (please base all responses to this question based on sourcing Model 1 as described in Section 1.4.)

	Response	**Comment (optional)**
1. Initiate annuity and lump sum payments for retirement, survivor and vested terminations	*Checkbox*	*Text*
2. Support basis recovery calculations to reflect after-tax employee contributions	*Checkbox*	*Text*
3. Coordinate with UC to distribute funds	*Checkbox*	*Text*
4. Monthly defined benefit payroll processing/interface with defined benefit payroll vendor	*Checkbox*	*Text*
5. Issue Medicare Part B Reimbursement to eligible retirees	*Checkbox*	*Text*
6. Gross-to-net tax withholding calculations and reports	*Checkbox*	*Text*
7. Federal and State tax withholding calculations and reports	*Checkbox*	*Text*
8. Non-resident alien tax withholding calculations and reports	*Checkbox*	*Text*
9. Maintain and process deductions from defined benefit checks, including retiree health and welfare deductions	*Checkbox*	*Text*
10. Communicate address changes to defined benefit payroll provider	*Checkbox*	*Text*
11. Joinders, tax liens, subpoenas, and garnishments	*Checkbox*	*Text*
12. Reconciliation of plan contributions and benefit payments on a daily basis – to be kept in a Cash Reconciliation Log	*Checkbox*	*Text*
13. Reconciliation of monthly bank statements (no later than 7 workdays after receipt of the bank statement)	*Checkbox*	*Text*
14. Issuance of annual federal, state tax and other reporting forms (i.e., 1099-R, 1042-S, W-2, etc.)	*Checkbox*	*Text*
15. Set-up direct deposit payments for new retirees	*Checkbox*	*Text*
16. Electronic deposits to members' bank accounts	*Checkbox*	*Text*
17. Collect and reconcile overpayments	*Checkbox*	*Text*
18. Restricted access to the check writing function to those authorized employees needed to perform the check writing function and duties are to be strictly separated. Blank check stock stored in a very secure location and access to blank check stock always under dual control	*Checkbox*	*Text*
19. When a check is no longer valid, it will be defaced and a void transaction will be processed. Processing will include voiding the check in the management system and notifying (through a cancel transaction) the bank that the check has been voided (if the issuance had been transmitted)	*Checkbox*	*Text*
20. Stop payments will be processed on all lost/reissued checks as well as all stale dated checks	*Checkbox*	*Text*

21. Returned checks will be voided	*Checkbox*	*Text*
22. Outstanding checks that have aged past 180 days are canceled in the system and at the bank. Monthly listing of stale dated cancellations is sent to the program manager and other managers or supervisors as requested. Instructions to the program manager and other management staff regarding the stale dated cancellation list are to investigate and, if necessary, reissue checks to the payee	*Checkbox*	*Text*
23. Notify the University of all the following discrepancies disclosed in the cash reconciliation on a monthly basis:		
- Checks with altered amounts	*Checkbox*	*Text*
- Checks with altered payees	*Checkbox*	*Text*
- Checks not issued by the selected vendor	*Checkbox*	*Text*
24. Create and submit a cash forecast ten (10) workdays before the first workday of the month that cash is needed. Forecast would provide the disbursement amounts as well as the expected pay dates during the month. Separate ACH and check amounts for each pay date in the forecast would be included. Includes benefit payments.	*Checkbox*	*Text*
25. Willing to use the University's existing banking relationships:		
- Wells Fargo Bank for paper disbursements	*Checkbox*	*Text*
- BONY Mellon Bank for ACH (straight through processing with debit block) payments for payrolls, vendor payments, and taxes. All transmissions to BONY Mellon Bank for ACH must be made via Secure FTP, be encrypted and require a near real-time file receipt confirmation	*Checkbox*	*Text*
26. Other Accounting and Banking capabilities that will be included in the per member fees (Section 20). Please describe all additional services that apply.	*Checkbox*	*Text*

15.2 Other Accounting and Banking Questions

15.2.1 Describe how you secure the check writing process to only authorized personnel.

15.2.2 Describe your procedures and how you coordinate with the related third parties on void checks, stop payments and returned checks.

15.2.3 Describe your security procedures for transmissions to related third parties.

15.2.4 Describe your capabilities in automating the basis recovery calculations for employees with after-tax contributions?

16 Member Communications

16.1 Functional Requirements

16.1.1 The following matrix lists the possible Member Communication requirements for administration of the University's Plans. Please indicate and clarify which functions are supported and included in your pricing (please base all responses to this question based on sourcing Model 1 as described in Section 1.4.):

	Response	**Comment (optional)**
1. Automatic generation of confirmation statement sent via email for member data/benefit changes	*Checkbox*	*Text*
2. Distribution of annual benefit statements directly to members homes and/or various UC locations	*Checkbox*	*Text*
3. Distribution of Summary Plan Descriptions (SPDs)	*Checkbox*	*Text*
4. Customization of communication materials at UC's request	*Checkbox*	*Text*
5. Ability to directly mail ad-hoc communications to members' homes and/or various UC locations	*Checkbox*	*Text*
6. Plan change notifications	*Checkbox*	*Text*
7. Survey recent users for customer satisfaction	*Checkbox*	*Text*
8. Third party firm to survey for member satisfaction	*Checkbox*	*Text*
9. Accrued benefit notices sent upon termination	*Checkbox*	*Text*
10. Distribution of paperwork for lump sum, retirement and survivor processing	*Checkbox*	*Text*
11. Tracking and communicating with terminated vested members approaching normal retirement age, without member initiation	*Checkbox*	*Text*
12. All legal notices distributed to members	*Checkbox*	*Text*
13. Other Member Communication capabilities that will be included in the per member fees (Section 20). Please describe all additional services that apply.	*Checkbox*	*Text*

16.2 Other Member Communication Questions

16.2.1 Describe in detail the communication strategy you would propose for the UC Plans.

16.2.2 Describe the components of your standard communications package.

16.2.3 Please enclose a sample communication deliverable for the following scenario: a UCRP member is retiring and is eligible for postretirement health and welfare benefits.

1: Attached,
2: Not provided

16.2.4 Describe your ability to provide customized communications.

16.2.5 Describe your approach to incorporating branding into the communications package.

16.2.6 Describe your ability to support electronic Summary Plan Descriptions.

16.2.7 Describe the types of communications materials and fulfillment services you envision providing to members related to the University's Plans. What review and approval process do you allow UC?

16.2.8 Describe your approach to literature fulfillment, including detail regarding systems and processes.

16.2.9 How much customization of administrative forms does your system permit?

16.2.10 Describe your capability to create and distribute a Total Rewards statement. Detail your experience and capability to produce a Total Rewards statement that includes compensation and/or benefits that are administered by another vendor or the client.

17 Additional Capabilities

17.1 Plan Design, Business Transactions, Other Questions

17.1.1 Please describe your experience and capabilities in the calculation and administration of COLAs (please see Article 9 in the UCRP Plan Document, Attachment 10).

17.1.2 Please describe your experience and capabilities in administering provisions of defined benefit plans similar to UC's CAP provision (CAP is a form of a cash balance benefit, please see Article 10 in the UCRP Plan Document, Attachment 10).

17.1.3 Please describe your experience and capabilities in administering provisions of defined benefit plans similar to that of UC's reciprocity (please see Article 12.08 in the UCRP Plan Document, Attachment 10).

17.1.4 Please describe your experience and capabilities in administering provisions of defined benefit plans similar to UC's “buy back” provisions (please see Article 5.04, 6.04, and 8.04 in the UCRP Plan Document, Attachment 10).

17.1.5 Please describe your experience and capabilities in administering disability benefits for defined benefit plans.

17.1.6 Will you provide recommended plan policy changes that will result in improved administration? If so, please provide an example.

17.1.7 Will you provide recommended plan design changes that will result in improved administration? If so, please provide an example.

17.1.8 Will you provide recommended administration procedural changes when plan amendments are made? If so, please provide an example.

17.1.9 Please describe the experience and capability your organization possesses to process and implement possible future plan design changes:

	Response
a. Changes in formula for different groups of employees that offer members a choice	*Text*
b. Conversion to a cash balance plan	*Text*
c. Conversion to a defined contribution plan	*Text*

17.1.10 Describe how your organization would manage employee counseling for the following situations:

	Response
a. Defined benefit plan design changes	*Text*
b. Employee choice between two alternative plans	*Text*

17.1.11 If available, please provide a reference for which your organization provided defined benefit plan design consulting, implementation, and administration, including call center activities, within the past three years.

	Response
Client	*Text*
Number of Members	*Text*
Year Acquired	*Text*
Services Provided	*Text*
Contact	*Text*

17.1.12 Describe your organization's ability to keep up with potential plan design and policy changes.

17.1.13 Comment on your typical timetable, procedure and pricing structure for incorporating an acquired or divested company and/or division. Indicate the impact that size of the transaction may have on your timetable, procedure and pricing structure. Give examples of sizes of acquisitions or divestitures which you have handled (e.g. the number of members involved).

17.1.14 Describe your administrative capabilities and experience as it relates to the defined benefit plans that require employee contributions.

17.1.15 Describe your organization's capabilities relative to retirement modeling and income replacement analysis calculation tools, including access methods (i.e., customer service center, Internet). Describe systems used and provide examples of clients you currently support with these services.

17.1.16 Will your organization accept a delegation of fiduciary responsibility under the Plans for making benefit claim determinations (not appeals)? If so, please describe the review process for making such determinations. How would taking on this responsibility impact cost of per person administrative services?

17.1.17 Identify the amount of your pension administration related technology investment over the last three years and planned for the next two years.

17.1.18 Describe your experience and abilities to revise, edit, and publish plan documents and/or personnel policy manuals for the following:

	Response
a. Public sector defined benefit plans	*Text*
b. 403(b) plans	*Text*
c. 457(b) plans	*Text*
d. 415(m) plans	*Text*
e. Health and welfare plans	*Text*
f. Postretirement health and welfare plans	*Text*

17.1.19 Describe your experience and capabilities in administering a defined benefit plan that accepts member contributions.

17.1.20 Describe your experience and capabilities to administer benefits for members whose compensation exceeds IRC Section 401(a)17 limits.

18 Implementation

18.1 Functional Requirements

18.1.1 The following matrix lists the possible Implementation requirements for administration of the University's Plans. Please indicate and clarify which functions are supported and included in your pricing:

	Response	**Comment (optional)**
1. Data and plan requirement identification	*Checkbox*	*Text*
2. Design new data base/system for all plans in scope	*Checkbox*	*Text*
3. Develop new data base/system for all plans in scope	*Checkbox*	*Text*
4. Populate database	*Checkbox*	*Text*
5. Update system for all legislative and plan requirements	*Checkbox*	*Text*
6. Test data base/system calculations	*Checkbox*	*Text*
7. Test Internet self-service tools and functionality	*Checkbox*	*Text*
8. Test customer service scripts and services	*Checkbox*	*Text*
9. Design and test interface/update processing	*Checkbox*	*Text*
10. Design and test report processing	*Checkbox*	*Text*

11. Design and test database backup	*Checkbox*	*Text*
12. Test end-user support	*Checkbox*	*Text*
13. Prepare and provide system training and documentation	*Checkbox*	*Text*
14. Develop system enhancement procedures	*Checkbox*	*Text*
15. Other Implementation capabilities that will be included in the one time fees (Section 20). Please describe all additional services that apply.	*Checkbox*	*Text*

18.2 Other Implementation Questions

18.2.1 Provide a detailed work plan, including milestones, you expect to use in implementing the Plans. This schedule should assume that the business is awarded on October 1, 2008, that implementation would begin immediately and that the go-live date should be as soon as possible.

1: Attached,
2: Not provided

18.2.2 Describe your methodology for managing the implementation process.

18.2.3 Describe how you would develop your systems and tools to adequately receive, maintain and update relevant member indicative and benefit related data for the UC Plans.

18.2.4 Describe how you would develop your operational manuals that CSRs would use to administer the UC Plans.

18.2.5 Describe solutions to administering the Plans without the benefit of converting historical member data that is currently on microfiche, micro tape and/or on electronic images.

18.2.6 Describe any challenges that you see to achieving a 9 month implementation go-live date.

18.2.7 Describe any challenges that you see to achieving a 12 month implementation go-live date.

18.2.8 Please provide the total member counts for each defined benefit administration client implementation completed in years 2004-2007.

18.2.9 What percentage of the defined benefit administration implementations completed in years 2004-2007 were completed ahead of schedule, on time, behind schedule (percentages only, must add up to 100%)

18.2.10 How many defined benefit plan implementations do you currently have scheduled?

18.2.11 How many total members do these implementations involve?

18.2.12 Will staff working on the UC implementation be 100% dedicated? If not, provide the percentage they will be allocated to UC.

18.2.13 Please describe in detail what you anticipate the UC team structure to be, and what role UC will play in the implementation process?

18.2.14 What information, if any, other than provided in this RFP, will you need for implementation?

18.2.15 Describe any UC Plans provisions that you will not be able to implement.

18.2.16 Describe any UC Plans provisions that you will not be able to automate.

19 Business Models

19.1 Please describe your experience and ability to handle Business Model 2 (as outlined in Section 1.4.)? Include your recommendations on how administration should work for member requests related to non-electronic historical data that is retained by the University.

19.2 As it relates to Business Model 3 (as outlined in Section 1.4.)

	Response
a. Please describe your experience and ability to handle such a business model.	*Text*
b. Describe your recommendations for administering member data changes that are requested while speaking with a UC CSR (e.g., will UC or the vendor make address changes, will UC or the vendor make password reset changes,…).	*Text*
c. Describe your recommendations for form fulfillment when requests are made while speaking with a UC CSR. (e.g., will UC or the vendor distribute forms, documents, SPDs, etc)	*Text*
d. Indicate how frequently you would provide training on tools, process and protocols, including training for new UC CSRs.	*Text*

19.3 With respect to Defined Benefit (DB) administration services, please identify the following for any co-sourcing relationships you may have:

	Response
a. How many years have you provided a co-sourced solution for DB administration services?	*Text*
b. What years have you provided a co-sourced solution for DB administration services?	*Text*
c. Number of plans and members you serve for co-sourced DB administration clients?	*Text*
d. Median plan size (members) for co-sourced DB administration clients?	*Text*
e. Number of plans with less than 10,000 members?	*Text*
o How many of these are public sector plans?	*Text*
f. Number of plans with 10,001 to 50,000 members?	*Text*

o How many of these are public sector plans?	*Text*
g. Number of plans with 50,001 to 100,000 members?	*Text*
o How many of these are public sector plans?	*Text*
h. Number of plans with 100,001 to 200,000 members?	*Text*
o How many of these are public sector plans?	*Text*
i. Number of plans with 200,001+ members?	*Text*
o How many of these are public sector plans?	*Text*
j. Average length of DB administration service relationships? (in years)	*Text*
k. Describe your experience with administering public sector DB plans for clients with co-sourced solutions.	*Text*
l. Describe your experience with administering DB plans with union employees for clients with co-sourced solutions.	*Text*

20 Service Fees

20.1 Service Fees

20.1.1 Please provide a fee schedule for each of the three sourcing models outlined in Section 1.4. The fees listed below must represent the total per member costs associated with all administration related services, as identified in the Functional Requirement questions in Sections 6 - 16 and Section 18. The below per member fees must incorporate any one-off activities, such as annual benefit statements, manual calculations (including QDROs), tax withholding and reporting, annual government tax filings, year-end compliance activities, etc.

Activity	Estimated Headcount	Model 1	Model 2	Model 3
One Time Implementation Costs, Including Transition of All Non-Electronic Historical Data	N/A	*Number*	N/A	N/A
One Time Implementation Costs, Not Including Transition of Non-Electronic Historical Data (i.e., paper records and micro-fiche)	N/A	N/A	*Number*	*Number*
Annual Per Member Administration Costs				
Active Members	118,885	*Number*	*Number*	*Number*
Terminated Vested Members	26,776	*Number*	*Number*	*Number*
Terminated Non-Vested Members with CAP and/or employee contributions	32,280	*Number*	*Number*	*Number*
Terminated Non-Vested Members with no CAP and/or no employee contributions	166,524	*Number*	*Number*	*Number*
Retired Members	39,261	*Number*	*Number*	*Number*
Beneficiaries Receiving Payment, including Surviving	6,152	*Number*	*Number*	*Number*

Spouses, Domestic Partners and Alternate Payees Under a QDRO				
Members on UCRP Disability	2,269	*Number*	*Number*	*Number*

20.2 Other Service Fee Questions

20.2.1 It is anticipated that the initial term of any agreement resulting from this RFP will be for a period of five (5) years. Are you willing to enter a 5-year agreement?

20.2.2 Will you guarantee fees? For how long?

20.2.3 Are the fees independently quoted for each service category or are they bundled?

20.2.4 How many vendor interfaces (e.g., payroll, health and welfare, actuary, etc.) did you assume in your pricing?

20.2.5 Please describe in detail your assumptions on call minutes. Attachment 18 provides current call volumes. How many inbound and outbound call minutes have you assumed? How did you determine this? What are the effects on pricing as call minutes increase/decrease vs. your assumption. Please provide a table showing call minute tiers and the associated effects on your per-member fees?

20.2.6 What are the effects on fees if UC decides to extend call center support from 9 hours per day to 10 hours? From 9 hours per day to 12 hours?

20.2.7 Are there other potential fees that UC may incur that you have not already addressed in this section?

	Response
a. Identify services and changes that may result in out-of-scope charges. Please be specific.	*Text*
b. Please provide an estimate of pass-through expenses.	*Text*

20.2.8 Describe how the above one-time fees would change if Investment Management, as defined in Section 1.4, was included in the services to be provided by your organization.

20.2.9 Describe how the per member and other administrative service fees would change if Investment Management, as defined in Section 1.4., was included in the services to be provided by your organization.

20.2.10 Provide your hourly billing rates of your professional staff in the following table:

Hourly Fees	**Staff Level**	**Hourly Rate**
1	*Text*	*Text*
2	*Text*	*Text*
3	*Text*	*Text*

UC RFP #UCOP-HRB/DB Admin/2008 for Defined Benefit and Other Administration Services

4	*Text*	*Text*

21 Attachments

21.1 UC Retirement Handbook

Attached Document: 01 - UC Retirement Handbook.pdf

21.2 UCRP SPD

Attached Document: 02 - UCRP SPD - WITH SS.pdf

21.3 UCRP SPD Without

Attached Document: 03 - UCRP SPD - WITHOUT SS.pdf

21.4 UCRP SPD Tier Two

Attached Document: 04 - UCRP SPD - TIER TWO MEMBERS.pdf

21.5 UCRP SPD Safety Members

Attached Document: 05 - UCRP SPD - SAFETY MEMBERS.pdf

21.6 UCRP Buyback Booklet

Attached Document: 06 - UCRP Buyback Booklet.pdf

21.7 UCRP Disability Handbook

Attached Document: 07 - UCRP Disability Handbook.pdf

21.8 UCRP Survivor & Beneficiary Handbook

Attached Document: 08.1 - UCRP Survivor & Beneficiary Handbook.pdf

21.9 UCRP Survivor & Beneficiary Handbook

Attached Document: 08.2 - UCRP Survivor & Beneficiary Handbook.pdf

21.10 UCRP Survivor & Beneficiary Handbook

Attached Document: 08.3 - UCRP Survivor & Beneficiary Handbook.pdf

21.11 UCRP Survivor & Beneficiary Handbook

Attached Document: 08.4 - UCRP Survivor & Beneficiary Handbook.pdf

21.12 UCRP Lump Sum Cashout Factsheet

Attached Document: 09 - UCRP Lump Sum Cashout Factsheet.pdf

21.13 UCRP Plan Document 2007

Attached Document: 10 - UCRP Plan Document 2007.pdf

21.14 UCRP Regulations 2007

Attached Document: 11 - UCRP Regulations 2007 .pdf

21.15 UCRP Annual Report

Attached Document: 12 - UCRP Annual Report.pdf

21.16 UCRP Summary of Plan Data

Attached Document: 13 - UCRP Summary of Plan Data.pdf

21.17 Buyback

Attached Document: 14 - Buyback - Is it the Best Place for Your Money.pdf

21.18 Facts about the Univerisity of California

Attached Document: 15 - Facts about the University of California.pdf

21.19 425m Restoration Plan Document

Attached Document: 16 - 415m Restoration Plan Document.pdf

21.20 Pers Plus 5

Attached Document: 17 - PERS Plus 5 Plan Document 2007.pdf

21.21 Plan-Member Transaction Details

Attached Document: 18 - Plan-Member Transaction Details-Volumes.doc

21.22 Payroll File Layouts

Attached Document: 19 - Payroll File Layouts.xls

21.23 System Interface Requirements

Attached Document: 20 - System Interface Requirements.xls

21.24 Draft Model Professional Services Agreement

Attached Document: 21 - DRAFT Model Professional Services Agreement.DOC

21.25 Consultant Confidentiality Agreement

Attached Document: 22 - Consultant Confidentiality Agreement.doc

21.26 Definitions

Attached Document: 23 - Definitions.doc

21.27 Appeals Process

Attached Document: 24 - Appeals Process.doc

21.28 Resume Template

Attached Document: 25 - Resume Template.doc