



WILLIAMSON COUNTY
PURCHASING DEPARTMENT
301 SE INNER LOOP - SUITE 106
GEORGETOWN, TEXAS 78626

<http://www.williamson-county.org/Purchasing>

REQUEST FOR PROPOSALS

FINANCIAL CONSULTANT FOR DEFERRED COMPENSATION 457(b) PLAN

RFP NUMBER: 12RFP00009

**PROPOSAL SUBMITTALS MUST BE RECEIVED ON OR BEFORE:
MAY 16, 2012 – 2:00 PM**

**PROPOSAL SUBMITTALS WILL BE PUBLICLY RECOGNIZED:
MAY 16, 2012 – 2:00 PM**

General

The Central Texas Deferred Compensation Plan is an IRC §457(b) governmental deferred compensation plan (the "Plan") created pursuant to Section 609.102(c) of the Texas Government Code and Chapter 791 of the Texas Government Code (Interlocal Cooperation Act). The Plan has been established in order to provide a better value to the employees/participants of the Plan for each Participating Employer than the Participating Employer could achieve on its own. The Plan is open to eligible governmental employees of Williamson County and the Texas Cities of Georgetown and Round Rock. Approximately 718 employees from the agencies comprising the Plan currently participate in the agencies' current individual plan offerings; the total assets enrolled are approximately \$18 million. The plan is overseen by Central Texas Deferred Compensation Pool Oversight Committee, (hereinafter referred to as the "Committee"). Attachment A hereto provides the Central Texas Deferred Compensation Plan Charter and Bylaws. The Committee serves as the Plan Administrator, as defined under Section 609.103(b) of the Texas Government Code, and has the powers authorized by Chapter 609 of the Texas Government Code, as well as the powers provided to the Plan Administrator under the terms of this Central Texas Deferred Compensation Plan Charter and By-Laws, as amended.

The Committee seeks the services of a qualified Financial Planner/Consultant – being an individual, firm or team – to provide services to help select a Third Party Administrator (TPA)/Record Keeper for a combined 457(b) plan serving employees of Williamson County, the City of Georgetown and the City of Round Rock. Generally, this Financial Planner/Consultant will assist the Committee in developing and evaluating a Request for Proposals for a Third Party Administrator (TPA)/Record Keeper, as well as assist with contract negotiations and services relative to post-TPA/Record Keeper selection, transition services, and other consulting services. The Committee broadly intends for the steps necessary to select and implement a Third Party Administrator/Record Keeper to be complete by January 2013.

The Request for Proposals will be reviewed and ranked by the Committee. A 20-minute presentation and 20-minute interview in a question/answer format may also be required for the highest-ranked individuals, firms or teams. No oral statement of any person will modify or otherwise change or affect the terms, conditions, plans, and/or specifications stated in the Request for Proposals instructions/requirements. The Committee will forward its selection to the County Commissioners' Court, which will formally award the contract. The method of payment will be lump sum fee agreement with payments distributed throughout the life of the project based upon percentages of work completed.

PROPOSAL SUBMISSION

DEADLINE: Proposals must be received in the Williamson County Purchasing Department **at or before Wednesday MAY 16, 2012 – 2:00 PM**. Proposals will be publicly acknowledged at 2:00 pm or soon thereafter in the Williamson County Purchasing Department.

Deadline for questions

MAY 9, 2012

Responses to all questions or addendums

MAY 11, 2012

All questions regarding the solicitation shall be submitted in writing by 5:00 PM on Wednesday, MAY 9, 2012. A copy of all the questions submitted and the Committee's response to the questions shall be posted on our webpage: <http://wilco-online.org/ebids/bids.aspx>

PRE-PROPOSAL MEETING: All proposers interested in submitting a proposal are invited to attend the non-mandatory pre-proposal meeting at **2:00 pm on Wednesday, MAY 2, 2012**, at the Harrell room of the J.B. and Hallie Jester Building located at 1801 E. Old Settlers Boulevard #110 Round Rock, TX 78664.

LATE SUBMISSIONS: Proposals received after the submission deadline will not be opened and will be considered void and unacceptable. Williamson County is not responsible for lateness of mail, courier service, etc.

SOLICITATION UPDATES: Respondents shall be responsible for monitoring the County's website at <http://wilco-online.org/ebids/bids.aspx> for any updates pertaining to the solicitation described herein. Various updates may include addendums, cancelations, notifications, and any other pertinent information necessary for the submission of a correct and accurate response. The County will not be held responsible for any further communication beyond updating the website.

POINT OF CONTACT: Any questions, clarifications or requests for general information should be directed to the contacts below. Question submittals must be made via email, and are **due by 5 PM CST on MAY 9, 2012**. Every effort will be made to answer questions within 24 hours of receiving them, with an email response.

Purchasing Questions

Jonathan Harris
Williamson County Deputy Purchasing Agent
301 SE Inner Loop, Suite 106
Georgetown, TX 78626
(512) 943-1692
joharris@wilco.org

DELIVERY METHODS: Sealed submittals of Proposals must be hand-delivered or mailed to:

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

FAX/EMAIL: Facsimile and electronic mail transmittals **will not be accepted**.

LOCATION AND DIRECTIONS: **Please see the map and directions to the Williamson County Inner Loop Annex attached herein below.**

PROPOSAL FORMAT: Ten (10) individually bound copies (1 original and 9 copies) plus one (1) CD of the entire submittal are required of the individual's, firm's, or team's response. The response must be marked "original" or "copy". All responses must be returned in a sealed envelope with the Request for Proposals (RFP) name, number, and recognition date clearly marked on the outside. If an overnight delivery service is used, the RFP name, number, and recognition date must be clearly marked on the outside of the delivery service envelope.

Please provide your Proposal using:

- Thirty (30) 8 ½" x 11" pages, inclusive of any cover letter or supporting materials
- the least amount of plastic/laminate or other non-recyclable binding materials
- Single-sided printing

SUBMISSION DOCUMENTS

Proposers must include the following items in their response to this RFP:

- 1) Cover Letter signed and dated by an authorized representative of the individual, team, or firm including e-mail address.
- 2) Certified Statement - Provide a notarized statement that the individual, team, or firm to work on this project meets the minimum requirements as it relates to qualifications, is licensed to perform the requested services, and is not disbarred, suspended or otherwise prohibited from professional practice by any federal, state or local agency.
- 3) Responses to the Minimum Requirements and Evaluation Criteria
- 4) Resume(s) for the individual(s) who will be providing the requested services
- 5) Conflict of Interest Form – Effective January 1, 2006, Chapter 176 of the Texas Local Government Code (House Bill 914) requires that any vendor or person considering doing business with a local government entity disclose the vendor or person's affiliation or business relationship that might cause a conflict of interest with the local government entities that comprise the Pool. **Any attempt to intentionally or unintentionally conceal or obfuscate a conflict of interest may automatically result in the disqualification of the vendor's offer.**
The Conflict of Interest Statement Form is attached herein below. This form must be completed, signed, and submitted with your proposal.
- 6) Completed and Executed Proposal Form

PROPOSAL REQUIREMENTS

PRE-PROPOSAL MEETING: All proposers interested in submitting a proposal are invited to attend the non-mandatory pre-proposal meeting at **2:00 pm on Wednesday, MAY 2, 2012**, at the Harrell room of the J.B. and Hallie Jester Building located at 1801 E. Old Settlers Boulevard #110 Round Rock, TX 78664.

Map:

<http://maps.google.com/maps/ms?ie=UTF8&oe=UTF8&msa=0&msid=116640836425001535107.0004917bc342111c3db7e>

SEALED: All proposals must be returned in a sealed envelope with the proposal name, number, opening date and time clearly marked on the outside. If an overnight delivery service is used, the proposal name, number, opening date and time must be clearly marked on the outside of the delivery service envelope.

LEGIBILITY: Proposals must be legible and of a quality that can be reproduced.

FORMS: All proposal forms must be submitted on the forms provided in this Request for Proposal. Changes to forms made by proposer may disqualify its proposal. Proposals cannot be altered or amended after submission deadline.

RESPONSIBILITY: It is expected that a prospective proposer will be able to affirmatively demonstrate proposer's responsibility. A prospective proposer should be able to meet the following requirements:

- a) have adequate financial resources, or the ability to obtain such resources as required;
- b) be able to comply with the required or proposed delivery schedule;
- c) have a satisfactory record of performance;
- d) be otherwise qualified and eligible to receive an award.

PROPOSAL TERMS AND CONDITIONS

PROPOSER'S ACCEPTANCE: By submitting a response to this RFP, the proposer certifies that he/she/it has fully read and understands the Request for Proposals and has knowledge of the scope and quality of the services to be furnished and intends to adhere to the provisions described herein.

COMMITMENT: Proposer understands and agrees that its submitted Proposal is issued predicated on anticipated requirements for the Committee and that the Committee has made no representation, written or oral, that any such requirements be furnished under a Contract arising from this RFP. Furthermore, proposer recognizes and understands that any cost borne by the proposer which arises from proposer's performance hereunder shall be at the sole risk and responsibility of proposer.

REJECTION OR ACCEPTANCE: Proposals may be rejected for some items even though awards are made for others. It is understood that the Committee reserves the right to accept or reject any and/or all Proposals for any or all services covered in this Request for Proposals, and to waive informalities or defects in the Proposal or to accept such Proposal it shall deem to be in the best interest of the Committee.

CONTRACT: This Proposal, when properly accepted by the Committee and a written notice of award is issued, shall constitute a contract equally binding between the selected proposer (sometimes referred to herein as the “successful proposer”) and the Committee (the “Contract”).

When the evaluation process is completed, the Committee will consider making an award of contract at a duly called session. At the Committee’s sole discretion, the successful proposer shall be required to execute three original copies of a formal agreement to further ensure compliance with the terms of this Request for Proposals and the successful proposer’s proposal.

EXECUTION OF FORMAL CONTRACT: In the event the Committee requires the successful proposer to sign the formal agreement referenced above, any failure to mutually agree upon terms of a formal agreement or to execute a formal agreement within ten (10) calendar days of written notification of award shall be just cause for the annulment of an award. In case of the annulment of an award, the Committee may proceed with entering into negotiations with the next highest ranked individual, team, or firm and so on until a formal agreement is agreed upon and executed.

CONTRACT PERIOD: The Initial Term of the Contract shall commence on the Date of Award, as set out in a written notice of award, and continue for twenty-four (24) months thereafter. The Contract may be reviewed on an annual basis and may be extended as described and set forth under “CONTRACT EXTENSIONS” below.

CONTRACT EXTENSIONS: On or before the termination of the Initial Term of the Contract, the Committee reserves the right to extend the Contract, by mutual agreement of both parties, as it deems, in its sole discretion, to be in the best interest of the Committee. Any such extensions will be for one additional twelve (12)-month term, with the terms, covenants and conditions of the Contract remaining the same for any extension. The total term of the Contract, including all extensions thereto, shall not exceed a maximum combined period of thirty-six (36) months. Any extension of the Contract is contingent upon the approval of the Committee. The Committee and the proposer agree that termination shall be the proposer’s sole remedy if the Committee decides not to extend the Contract for an additional term, as set forth above.

RIGHT TO AUDIT: Proposer further agrees that the Committee or its duly authorized representatives shall, until the expiration of three (3) years after final payment under this Agreement, have access to and the right to examine and photocopy any and all books, documents, papers and records of Proposer, which are directly pertinent to the services to be performed under this Agreement for the purposes of making audits, examinations, excerpts, and transcriptions. Proposer agrees that the Committee shall have access during normal working hours to all necessary Proposer facilities and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the provisions of this section. The Committee shall give Proposer reasonable advance notice of intended audits.

PROPRIETARY INFORMATION/TEXAS PUBLIC INFORMATION ACT: All material submitted to the Committee becomes public property and is subject to the Texas Public Information Act upon receipt. If a Proposer does not desire proprietary information in the proposal to be disclosed, each page must be identified and marked proprietary at time of submittal. The Committee will, to the extent allowed by law, endeavor to protect such information from disclosure. The final decision as to what information must be disclosed, however, lies with the Texas Attorney General. Failure to identify proprietary information will result in all unmarked sections being deemed non-proprietary and available upon public request.

TERMINATION FOR CONVENIENCE: The Committee may terminate this contract and/or any additional agreement containing terms necessary to ensure compliance with the Proposer's proposal, for convenience and without cause or further liability, upon thirty (30) days written notice to Proposer. In the event the Committee exercises its right to terminate without cause, it is understood and agreed that only the amounts due to Proposer for goods, commodities and/or services provided and expenses incurred to and including the date of termination, will be due and payable. No penalty will be assessed for the Committee's termination for convenience.

PAYMENT: Payment for services provided by the successful proposer shall be made upon satisfactory completion and acceptance of services and submission of an invoice as set out below.

All payments owed will be paid in accordance with Chapter 2251 of the Texas Government Code. Interest charges for any late payments shall be paid in accordance with Texas Government Code Section 2251.025. At a minimum, invoices shall include:

- (1) Name, address, and telephone number of party requesting payment and similar information in the event the payment is to be made to a different address
- (2) Identification of items or service provided
- (3) Any additional payment information which may be required by the Committee

Invoices and payment inquiries should be directed to the Williamson County Auditor's Office, Attn: First Assistant Williamson County Auditor, Julie Kiley, 710 S. Main Street, Suite 301 Georgetown, TX 78626, (512) 943-1500.

SILENCE OF SPECIFICATIONS: The apparent silence of any specifications as to any detail or to the apparent omission from it of a detailed description concerning any point, shall be regarded as meaning that only the best practices are to prevail. All interpretations of these specifications shall be made on the basis of this statement.

COMPLIANCE WITH LAWS: The successful proposer shall comply with all applicable federal, state and local laws and regulations pertaining to the practice of the profession and the execution of duties under this Request for Proposal.

INDEMNIFICATION: THE SUCCESSFUL PROPOSER SHALL **INDEMNIFY, DEFEND AND HOLD HARMLESS** THE COMMITTEE, WILLIAMSON COUNTY, CITY OF GEORGETOWN, CITY OF ROUND ROCK AND THEIR OFFICIALS, AGENTS, EMPLOYEES, OFFICERS, AND REPRESENTATIVES FROM EVERY PENALTY, CAUSE OF ACTION, CLAIM, LOSS, COST, DAMAGE, REASONABLE ATTORNEY'S FEES, LIEN AND/OR EXPENSE ARISING OUT OF OR RESULTING FROM THE PERFORMANCE OF THE CONTRACT BY THE SUCCESSFUL PROPOSER, ITS AGENTS, EMPLOYEES, OFFICERS, OR REPRESENTATIVES, OR FOR ANY FAILURE OF OBSERVANCE OF ANY PROVISION OF THE CONTRACT TO BE PERFORMED BY OR ON BEHALF OF THE SUCCESSFUL PROPOSER. THE SUCCESSFUL PROPOSER SHALL ALSO **INDEMNIFY, DEFEND AND SAVE HARMLESS** THE COMMITTEE, WILLIAMSON COUNTY, CITY OF GEORGETOWN, CITY OF ROUND ROCK AND THEIR OFFICIALS, AGENTS, EMPLOYEES, OFFICERS, AND REPRESENTATIVES FROM AND AGAINST ALL CLAIMS OF WHATEVER NATURE ARISING FROM ANY NEGLIGENT ACT, OMISSION OR NEGLIGENCE OF THE SUCCESSFUL PROPOSER AND/OR THE SUCCESSFUL PROPOSER'S CONTRACTORS, LICENSEES, AGENTS, SERVANTS, OR EMPLOYEES, OR ARISING FROM ANY ACCIDENT, INJURY, OR DAMAGE WHATSOEVER CAUSED TO ANY PERSON DURING THE TERM OF THE CONTRACT.

DOCUMENTATION: Proposer shall provide with its proposal, all documentation required by this Request for Proposal. Failure to provide this information may result in rejection of the proposal.

ASSIGNMENT: No party to the Contract may assign or transfer its interest in or obligations under the Contract without the prior written consent of all parties to the Contract.

RELATIONSHIP OF THE PARTIES: Each party to the Contract, in the performance of the Contract, shall act in an individual capacity and not as agents, employees, partners, joint ventures or associates of one another. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purposes whatsoever.

NO WAIVER OF IMMUNITIES: Nothing in the Contract shall be deemed to waive, modify or amend any legal defense available at law or in equity to the Committee, Williamson County, City of Round Rock, City of Georgetown, its past or present officers, employees, or agents, nor to create any legal rights or claim on behalf of any third party. The Committee, Williamson County, City of Round Rock and the City of Georgetown does not waive, modify, or alter to any extent whatsoever the availability of the defense of governmental immunity under the laws of the State of Texas and of the United States.

NON-APPROPRIATION AND FISCAL FUNDING: The obligations of the parties under the Contract do not constitute a general obligation or indebtedness of the parties for which such party is obligated to levy, pledge, or collect any form of taxation. It is understood and agreed that the Committee shall have the right to terminate the Contract at the end of any fiscal year if the governing body of Williamson County, City of Round Rock or the City of Georgetown does not appropriate sufficient funds for the fiscal year in question. The Committee may effect such termination by giving written notice of termination at the end of the then-current fiscal year.

VENUE AND GOVERNING LAW: Each party to the Contract hereby agrees and acknowledges that venue and jurisdiction of any suit, right, or cause of action arising out of or in connection with the Contract shall lie exclusively in either Williamson County, Texas or in the Austin Division of the Western Federal District of Texas, and the parties hereto expressly consent and submit to such jurisdiction. Furthermore, except to the extent that the Contract is governed by the laws of the United States, the Contract shall be governed by and construed in accordance with the laws of the State of Texas, excluding, however, its choice of law rules.

DESCRIPTION OF PROJECT

The project involves providing technical assistance to facilitate the successful transition to a combined 457(b) serving the employees of the participating agencies.

SCOPE OF SERVICES REQUESTED

The following is the minimum scope of services to be provided by the Financial Planner/Consultant selected for the project. Any omissions in scope should be noted to the Committee. In particular and at a minimum, the duties for the selected Financial Planner/Consultant will be:

A. Technical assistance relative to RFP development, and proposal evaluations for a Third Party

- Administrator (TPA)/Record Keeper and contract negotiations;
- B. Services relative to Post TPA/Record Keeper selection and transition services; and
 - C. General consultation services relative to quarterly investment review services and other Committee needs

MINIMUM REQUIREMENTS

Any proposer interested in serving as Section 457 Deferred Compensation consultant to the Committee must meet the following criteria:

1. The proposer shall not be affiliated in any manner whatsoever, either directly or indirectly, with any organization that provides brokerage, investment management or any other service that, in the opinion of the Committee, constitutes a conflict of interest. The successful proposer may not derive compensation from any brokerage, investment management or other provider that, in the opinion of the Committee, constitutes a conflict of interest. The Committee retains sole discretion to determine whether actual or potential conflicts of interest exist related to a proposer.
2. The proposer must be either a certified financial planner or registered as an investment advisor with the Securities and Exchange Commission. Preference may be given to registered investment advisors.
 - a. If the proposer is a registered investment advisor, copies its most recent Securities and Exchange Commission (SEC) Form ADV, Parts I and II, along with the “deficiency letter” related to its most recent SEC inspection must be submitted with the proposal.
3. The proposer's assigned consultants must have substantial experience advising comparable governmental entities regarding retirement plans. Knowledge of Section 457 Deferred Compensation Plans shall be required.
4. The proposer's consultants must have sufficient time to execute and fulfill the duties of consultant and/or co-consultant to the Committee and not be burdened by professional responsibilities or workload or by personal or other constraints which would interfere in any material respect with the principal's or firm's obligations hereunder.
5. The Section 457 Deferred Compensation consultants must have substantial retirement plan experience coupled with significant financial experience (i.e. mutual funds, stable value funds, etcetera). To demonstrate substantial and significant experience, the Committee expects proposers to have a minimum five (5) to seven (7) years experience. The Committee anticipates hiring a firm or team with the understanding that the principal contact person(s) designated by the firms will be assisted on an individual assignment basis, by other resources available to the firm. Therefore, experience of both the individual(s) primarily responsible to the Committee and the firm, as a whole, will be significant in the selection process.
6. Deferred compensation consulting services shall include, but may not be necessarily limited to, the following:
 - Technical assistance relative to RFP development and proposal evaluations for a Third Party Administrator/Record Keeper and contract negotiations.

- Development of an RFP to obtain needed services for the Plan (timeline for consultation, current market services and trends, advertising and distribution of the RFP, evaluation criteria and tools for review of proposer responses).
- Provide a comprehensive detailed report analyzing and comparing all responses to the RFP including, but not limited to, recommendations with supporting detail. The report must include a comprehensive review of vendor fund options compared to current fund options including preliminary mapping of transfer of funds.
- For each investment option that is proposed by vendors in response to the RFP, the consultant will provide a report with a full analysis of the investment options which includes, but not limited to, the following:
 - The risk and return and other financial characteristics of the investment funds, so that participants may select among investment funds that are materially different from one another.
 - Each investment option will be reviewed for administrative, accounting and transaction processing factors to ensure that participants' elections may be executed in a timely manner and that reports and statements are produced as required.
 - Recommendation of an allocation process that focuses on the relative attractiveness of broad asset categories for Plan participants.
 - Identify and recommend individual funds appropriate to each of the various broad asset classes from which participants may make individual investment selections.
 - Further, the report shall also include a thorough examination of the following for each individual fund: Tenure of management and fund reputation.
 - Long-term performance and relative risk as measured by standard deviation and/or 24-month rolling alpha.
 - Competitive and consistent performance measured against an appropriate benchmark (3, 5 and 10-year periods should be measured and evaluated).
 - Consistency of investment objectives and investment approach.
 - Each fund should be a diversified fund.
 - The selected funds should have fees that are reasonable and competitive with similar funds offering a similar range of services.
 - Provide primary support for the negotiation process.

7. Services Relative to Post Third Party Administrator (TPA) / Record keeper Selection / Transition Services, including but not limited to:

- Developing a strategy to successfully migrate from the current investment options and record keeping services to a new service provider, if a new plan service provider is selected.
- Reviewing education and participant training materials developed by the new plan service provider for completeness and accuracy. Proposer will recommend changes to the Committee's education and participant training materials to assure materials are complete and accurate.

- As required, assisting the Committee in meeting with or making presentations to various Committee stakeholder groups relative to the selection of a new contractor and the transition process.

8. General Consultation Services on an as-needed basis during the term of the Contract to provide general consultation to the Committee as needed regarding its plan document, design and operation of its deferred compensation program, regular investment review, written Investment Policy Statement, strategic goals, communication and detailed investment education programs, industry best practices for both internal and plan service provider procedures, implementation of new federal laws and regulatory changes, et cetera.

EVALUATION CRITERIA

All solicitations received may be evaluated based on the best value. In determining best value, the Committee may consider:

Reputation of Respondent and of Respondent's goods and services;

Quality of the Respondent's goods and services;

The extent to which the goods and services meet the Committee's needs;

Respondent's past relationship with the participating governmental entities.

The total long-term cost to the Committee to acquire the Respondent's goods or services;

Any relevant criteria specifically listed in the solicitation.

A. Firm Qualifications and Experience

1. **Cover Letter.** Provide a cover letter no longer than two (2) pages, signed by an authorized representative of the proposer, including a brief description of your firm's location, organization structure, philosophy, number of years the firm has been in the retirement plan consultant business and any and all previous names for the business as applicable. (This section is *not* included in the overall proposal 30 page count.)
2. **Description of capabilities, experience and expertise.** Provide a description as a whole in the following aspects of retirement plans:
 - i. Development, issuance and evaluation of an RFP for Third Party Administrator (TPA)/Record Keeper for retirement plans (e.g., RFP issuance, analysis of proposals, etcetera.),
 - ii. Contract negotiations with successful vendors,
 - iii. Strategy development for successful transition/migration to new service providers,

- iv. Continuing and periodic investment review services,
 - v. Provision of other retirement plan consulting services your firm provides,
 - vi. Number of retirement plans your firm has provided services for and the asset size of those plans,
 - vii. Any relevant experience you have assisting a Section 457 deferred compensation plan client with a Third Party Administrator (TPA)/Record Keeper vendor search. Describe a specific past example of a significant retirement plan for issuance under a Request for Proposals (RFP) with evaluation of proposals by your firm. Provide the planning process, timeline, evaluation process, approval process, transition process, and the resulting outcomes in relation to the expected planning.
3. **Firm's present and projected workload.** Provide a description of your firm's present and projected workload, staffing and ability to provide prompt, sound and quality retirement plan consulting services.
4. **Individuals and Qualifications.** Identify and include qualifications of specific individuals to be assigned to the project (include names, contact information, and specific services of the individuals who will provide services to the Committee. The Section 457 Deferred Compensation consultant shall have substantial retirement plan experience coupled with significant financial experience. To demonstrate substantial and significant experience, the Committee expects proposers to have a minimum of ten (10) to fifteen (15) years experience with the lead consultant assigned to this project to have a minimum of five (5) to seven (7) years experience.
- i. Provide the name, title, years of experience, office location, area of specialty (if applicable) of the consultant who will be designated as the "contact person" for the firm's proposal and who will be the consultant primarily responsible for ensuring the proper performance of the services to be rendered to the Committee,
 - ii. Provide an individual resume, name, title, years of experience, office location, area of specialty (if applicable) and description of relevant experience and expertise of each consultant expected to perform services for the Committee. The firm shall provide written confirmation (on its letterhead) signed by an officer of the firm that the consultant identified in the proposal will be the staff who will provide the services required by the awarded Contract. Any substitution must have prior approval of the Committee. Any substitution without such prior approval shall be grounds for disqualification or termination of the Contract as applicable.
5. **Disciplinary action, administrative proceedings or malpractice claims.** Provide a description of any disciplinary action, administrative proceedings or malpractice claim or other like proceeding against the firm or any of its employees, whether current, pending, or threatened, as well as any such action, proceeding or claim occurring during the past five (5) years. Provide a

description (including specific allegations, findings, determinations – both preliminary and final, and settlements) of any consulting services provided to a client of the firm in the last five (5) years that has been subject to including up to, but not limited to investigation, preliminary determination, adverse determination, formal information request or other official inquiry by the Internal Revenue Service, Securities and Exchange Commission, or any other official oversight agency.

6. **Sub-Contractors.** List any sub-contractors that may be used to accomplish this service.
7. **Litigation.** Please list any past and/or pending litigation or disputes relating to the work described herein that your firm has been involved in within the last five (5) years. The list shall include each project name, the nature of the litigation and the current status or ultimate outcome of such litigation.
8. **Financial Information.** Provide an official letter from the proposer's financial institution detailing the financial status of the proposer. The letter shall include a contact name, address, phone number, and fax number. The failure to produce financial requirements may be grounds for dismissal of your offer. This is a non-negotiable item.
9. **Documentation of Licensing and/or Certifications.** Proposers shall include copies of relevant licensing and/or certifications as they related to the firm's meeting of the minimum requirements. If a firm is a registered investment advisor, provide its most recent Securities and Exchange Commission (SEC) Form ADV, Parts I and II, along with the "deficiency letter" related to its most recent SEC inspection.
10. **Insurance and Insurance Certificates.** During the term of the Contract, the successful proposer shall provide and maintain the following insurance:
 - a. Worker's Compensation in accordance with statutory requirements.
 - b. Professional Liability Errors and Omissions Insurance in the amount of \$1.0 Million naming the Committee, Williamson County, the City of Round Rock and the City of Georgetown as additional insureds.

The successful proposer shall not perform any services under the Contract until it has obtained all required insurance and such insurance has been approved by the Committee. The successful proposer shall not allow any subcontractor(s) to commence work to be performed in connection with the Contract until all required insurance has been obtained and approved. Approval of the insurance by the Committee shall not relieve or decrease the liability of the successful proposer hereunder.

The required insurance must be written by a company approved to do business in the State or Texas with a financial standing of at least an A- rating, as reflected in Best's insurance ratings or by a similar rating system recognized within the insurance industry at the time the policy is issued. The successful proposer shall furnish the Committee with a certification of coverage issued by the insurer. The successful proposer shall not cause any insurance to be canceled nor permit any

insurance to lapse. ALL INSURANCE CERTIFICATES SHALL INCLUDE A CLAUSE TO THE EFFECT THAT THE POLICY SHALL NOT BE CANCELED OR REDUCED, RESTRICTED OR LIMITED UNTIL TEN (10) DAYS AFTER THE COMMITTEE HAS RECEIVED WRITTEN NOTICE AS EVIDENCED BY RETURN RECEIPT OF REGISTERED OR CERTIFIED LETTER.

B. Similar Projects

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

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

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

C. Project Approach

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

1. State your firm's technical approach to the project and the interpretation of the scope of services required and a statement attesting your understanding of the scope of services.
2. Provide responses to each of the following questions. Your responses will be used to measure the proposer's experience and knowledge in matters often considered or presented before the Committee.
 - i. Describe the pros and cons of implementing a single provider versus a multiple provider strategy.
 - ii. Describe your firm's views on understanding and incorporating the various aspects of behavioral finance in developing a successful deferred compensation program.
 - iii. Describe your firm's views as to its fiduciary responsibilities under the proposed scope of services should your firm be awarded this project, Proposers may offer alternative solutions/options to achieve a successful completion of the scope of services outlined herein.

- iv. Describe your firm's opinions as to the advisability of using group variable and fixed annuities in Section 457 Deferred Compensation Plans, as well as any experience your firm may have regarding the costs of terminating relationships with group annuity providers.
3. Define the adequacy of resources, including personnel, labor, equipment and supply resources, and other requirements.
4. Provide an implementation schedule for proposed services including any management and planning strategies.
5. Provide information regarding any proposed innovative concepts that may enhance the value and quality of the services to be performed.
6. Describe any significant or unique awards received or accomplishments made in previous, similar projects.

D. Compensation Information & Fees

Fee negotiations will be initiated once the top individual, team, or firm is selected. If negotiations for an acceptable fee are not successful, these negotiations will cease and talks will be initiated with the 2nd highest ranked individual, team, or firm. The contract award will be made by the Committee.

As stewards of public funds, the Committee maintains all adopted budgetary parameters in the performance of its contracts. The ability of the successful proposer to maintain a sense of fiscal responsibility shall be favorably considered in the evaluation of proposals.

PROPOSAL FORM

FINANCIAL CONSULTANT FOR DEFERRED COMPENSATION 457(b) PLAN

RFP NUMBER: 12RFP00009

NAME OF PROPOSER: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Email Address: _____

Telephone: (_____) _____ Fax: (_____) _____

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

Signature of Person Authorized to Sign Proposal

Printed Name and Title of Signer

Date: _____, 2012

DO NOT SIGN OR SUBMIT WITHOUT READING ENTIRE DOCUMENT

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



CONFLICT OF INTEREST STATEMENT

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

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

Notarized:

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

Williamson County Inner Loop Annex

Address:

**301 SE Inner Loop
Georgetown, TX 78626**

Directions:

From South (Austin, Round Rock)

Take IH-35 Northbound

Exit 259

Stay on frontage road for approximately 2 miles

At stop sign, go right on Inner Loop

Just past Snead Drive, the Inner Loop Annex is on the left

Main entrance is on the side of the building by the flagpoles

From North (Georgetown, Jarrell)

Take IH-35 Southbound

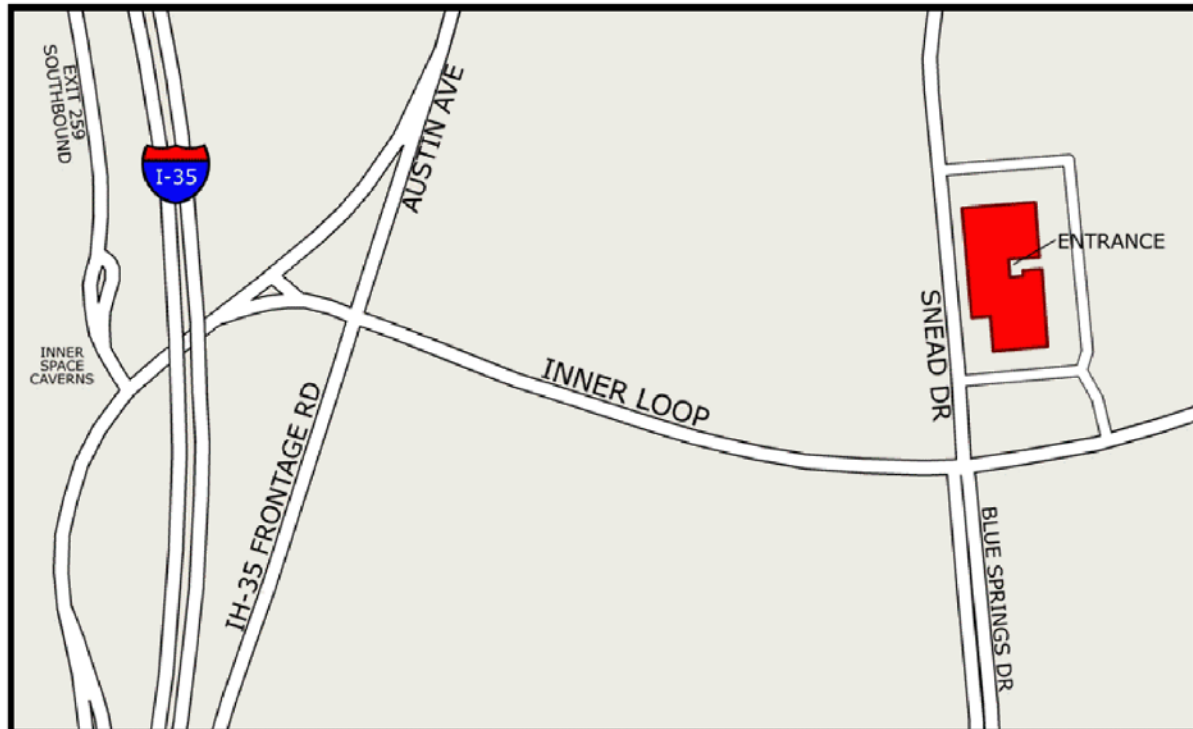
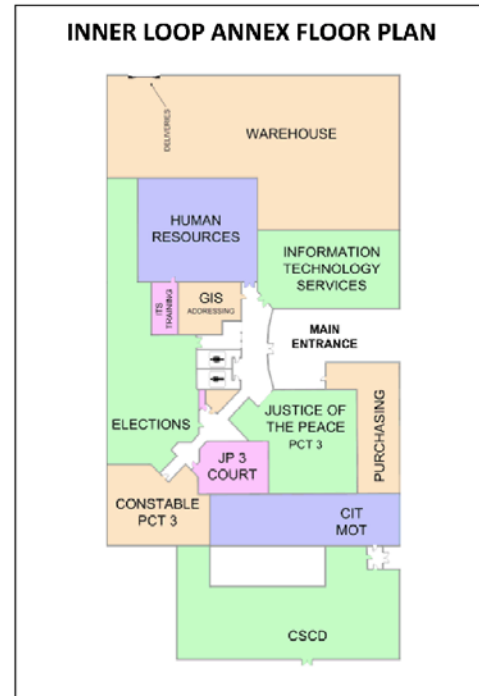
Exit 259

At stop sign, go left under the overpass

At stop stay straight onto Inner Loop

Just past Snead Drive, the Inner Loop Annex is on the left

Main entrance is on the side of the building by the flagpoles



ATTACHMENT A

CENTRAL TEXAS DEFERRED COMPENSATION PLAN CHARTER AND BY-LAWS

I. GENERAL OVERVIEW AND PURPOSE

A. Purpose of Creation. The Central Texas Deferred Compensation Plan is an IRC §457(b) governmental deferred compensation plan (the “Plan”) that is being created pursuant to Section 609.102(c) of the Texas Government Code and Chapter 791 of the Texas Government Code (Interlocal Cooperation Act). The Plan is being established in order to provide a better value to the employees/participants of the Plan for each Participating Employer than the Participating Employer could achieve on its own.

B. Participating Employers. The Plan is open to eligible governmental employees of Williamson County and the Texas Cities of Georgetown, Pflugerville and Round Rock (“Participating Employer(s)”). Each Participating Employer shall be independently responsible for verifying those individuals that are eligible for participation in the Plan. The Committee, as defined below, may, upon a vote of its members, allow other governmental entities to become a Participating Employer under the Plan.

C. Plan Administrator. The Committee shall serve as the Plan Administrator, as defined under Section 609.103(b) of the Texas Government Code, and shall have the powers authorized by Chapter 609 of the Texas Government Code, as well as any powers provided to the Plan Administrator under the terms of this Central Texas Deferred Compensation Plan Charter and By-Laws, as amended. The Committee shall not be removed as the Plan Administrator unless a majority of the Committee Members vote to approve its removal as such.

D. Plan Sponsor. The Plan Sponsor shall act as the depository for all Plan related materials, which shall include but not be limited to the Plan documents, Plan service agreements, Committee and Subcommittee meeting minutes and any other materials related to the operation of the Plan. The Plan Sponsor shall also allow the Plan to use its employer identification number in order to sponsor the Plan as an eligible governmental employer.

From time to time it may be necessary for the Plan Sponsor to sign documents relating to the Plan since the Plan Sponsor’s employer identification number is being used by the Plan. In that event, the Plan Sponsor’s designated official or agent **shall** sign all Plan related documents if such Plan related documents have been previously approved by the Committee and signed by the Committee’s Chairperson.

The Plan Sponsor’s purchasing department shall assist the Committee in securing necessary outside services through an appropriate procurement process. Each of the Participating Employer’s purchasing departments may and are encouraged to assist the Plan Sponsor’s purchasing department with future procurement processes.

The Committee may remove the then acting Plan Sponsor at any time and choose another Participating Employer to serve as the Plan Sponsor. In the event the then acting Plan Sponsor should withdraw from the Plan in the future, the then acting Plan Sponsor shall allow the Plan to continue to use its employer identification number for up to one year while the Committee selects a new Plan Sponsor and obtains a new employer identification number.

Williamson County will initially act as the Plan Sponsor and shall provide its employer identification information in order to sponsor the Plan as an eligible governmental employer. During such time, the Williamson County Purchasing Department shall assist the Committee in securing necessary outside services through an appropriate procurement process. Williamson County's legal counsel will assist the Williamson County Purchasing Department with legal matters that arise during any procurement process conducted by the Williamson County Purchasing Department.

E. Withdrawal by Participating Employer. A Participating Employer may not withdraw until the expiration of the then current Plan contract term. In the event a Participating Employer should so choose to withdraw from participating in the Plan, such withdrawing Participating Employer must provide the Committee with no less than twelve (12) months written notice of its intent to withdraw from the Plan with such withdrawal being effective as of the last day of the Plan's then existing third party administrator's contract term. In the event that Williamson County should withdraw from the Plan, the Committee shall select a new director or representative to perform the duties assigned to the Williamson County Human Resources Director hereunder.

II.

PLAN GOVERNANCE

A. Creation of Committee. Pursuant to Section 609.106 of the Texas Government Code, the Central Texas Deferred Compensation Plan Oversight Committee ("Committee") is hereby created to oversee and manage all activities of the Plan. The Committee is a fiduciary to the Plan and is compelled to act exclusively in the best interests of the Plan's participants and beneficiaries and to the Participating Employers of the Plan. Unless otherwise set forth herein, the Committee has exclusive authority to conduct all business related to the Plan. All authority to make decisions relating to the business of the Plan rests exclusively with the Plan's Committee (see Plan Governance below).

B. Specific Responsibilities of the Committee. The Committee is charged with the following responsibilities:

- Develop the Plan.
- Hire any resources necessary to allow the Committee to properly execute its responsibilities under state and federal laws. Such resources may include, but not be limited to, legal counsel that specializes in deferred compensation plans when such counsel is necessary, auditors, third party service providers, money managers and consultants.
- Approve the creation or dissolution of standing and ad hoc committees of the Committee.

- Review, approve and monitor annual budgets and budget change proposals.
- Develop and adopt an *Investment Policy Statement (IPS)* for the Plan that includes the purpose of the Plan, its investment objectives, the responsibility for Plan oversight, the number and type of investment options available, the investment review processes, and other items to ensure the use of good judgment and prudent care in making decisions on behalf of Plan participants and their beneficiaries.
- Select a Third Party Administrator (TPA) through a competitive bid process that will provide effective and cost-efficient operational support and investment services to the Plan.
- Provide a quarterly review of investment options for the Plan and add, replace, terminate or take any other action as necessary that is intended to better meet the needs of the Plan's participants and beneficiaries.
- Approve and/or develop training, education, and communication standards and materials for the Plan's eligible employees.
- Develop and implement policies and procedures that are necessary in order to comply with all state and federal laws and standards or codes of conduct, to the extent they exist and are applicable to a governmental deferred compensation plan under IRC §457(b).
- Hear requests and/or complaints relating to the Plan.
- Develop and approve other governance policies, directives, and administrative rules for the administration of the Plan and as may be adopted from time to time.

C. Committee Composition; and Committee Member Appointment, Removal, Resignation and Vacancies. Participating Employer representation on the Committee shall be determined by the percentage of assets the Participating Employer's group bears to the total Plan Assets; provided, however, each Participating Employer shall have at least one member on the Committee. Each Participating Employer shall determine and appoint its particular Committee Member(s). Each Participating Employer shall also appoint and designate one alternate Committee Member to serve in place of its Committee Member(s) in the event such member(s) is unable to attend a Committee or Subcommittee meeting. For purposes of this Charter and By-Laws, any reference made herein to Committee Member shall also mean and include the Participating Employer's alternate Committee Member.

Each Committee Member must be an employee of the appointing Participating Employer and it is strongly recommended that each Committee Member for each Participating Employer be an actively contributing member of the Plan. Members of the Committee shall serve at the pleasure of the Participating Employer's governing body and may be removed at any time by that governing body. In the event that a Participating Employer removes its acting Committee Member(s) and/or alternate Committee Member(s), such Participating Member must appoint a new Committee Member(s) and/or alternate Committee Member(s) to serve in the removed member's place prior to the next scheduled Committee meeting.

An individual Committee Member may resign from his or her position on the Committee by providing appropriate notice to the Chairperson. In such case, the resignation is not effective until accepted by the Chairperson and a new appointment has been made. Committee Member position vacancies that otherwise occur before the expiration of a Committee term shall be filled prior to the next scheduled Committee meeting.

D. Number of Committee Members; and Committee Member Terms.

The first Committee shall consist of nine (9) Committee Members. It has been agreed to and acknowledged by the Participating Employers that, as of the Effective Date, the assets of the Plan for each Participating Employer and the percentage that those assets bear to the total Plan's assets requires the following Committee representation for each Participating Employer:

| Participating Employer | Number of Committee Members |
|------------------------|-----------------------------|
| Williamson County | 3 |
| City of Round Rock | 3 |
| City of Georgetown | 2 |
| City of Pflugerville | 1 |

Annually, plan assets for each Participating Employer shall be reviewed by the Committee to determine what, if any, changes are necessary to the Committee's composition to appropriately reflect each Participating Employer's representation on the Committee.

The initial Committee Members from each Participating Employer shall have staggered terms. Williamson County and the City of Round Rock shall each have three (3) Committee Members initially with one (1) Committee Member serving a one (1) year term, one (1) Committee Member serving a two (2) year term and one (1) Committee Member serving a three (3) year term. The City of Georgetown shall have two (2) Committee Members initially with one (1) Committee Member serving a three (3) year term and one (1) Committee Member serving a two (2) year term. The City of Pflugerville shall have one (1) Committee Member initially that shall serve a three (3) year term.

The initial Vice-Chairperson shall serve a first term of three (3) years. Thus, the Committee must ensure that whomever is selected as the initial Vice-Chairperson is a Committee Member that is serving a three (3) year term. Each new Committee Member to the Committee must be appointed for a term of three (3) years.

The Committee may, at any time upon a vote, set a cap on the maximum number of Committee Members that shall serve on future Committees.

E. Committee Chairperson and Vice-Chairperson. At the first Committee meeting, the Committee shall vote to select a Chairperson and Vice-Chairperson. The Chairperson is responsible for ensuring that meetings are conducted orderly, properly and regularly; information is disseminated and maintained as necessary; and responsibilities, individual and collective, are consistently adhered to. The Chairperson shall have the authority to sign any and all documents necessary to carry out the Committee's responsibilities contained in this document and any requirements associated with the Plan. The Secretary shall attest to the signature of the Chairperson and the Chairperson shall obtain specific Committee approval, at an official Committee meeting, before signing any documents. The Vice-Chairperson shall assist the Chairperson and preside over meetings in the absence of the Chairperson.

At the end of each Plan year, the then current Chairperson shall cease acting as the Chairperson and the Vice-Chairperson shall assume the position of Chairperson and the Committee shall vote to select a new Vice-Chairperson. In the event that a Chairperson and/or Vice-Chairperson shall cease acting in such capacities during a Plan year, the Committee shall vote to select a successor Chairperson and/or Vice-Chairperson and such successor shall serve until the end of the current Plan year.

F. Committee Secretary. At the first Committee meeting, the Committee shall vote to select a Committee Secretary. The Secretary shall provide the services and comply with the obligations of the Secretary, as set forth herein. Furthermore, the Secretary shall provide the Plan Sponsor, as soon as practically possible, with original copies of all Plan related materials including Plan documents, Plan service agreements, Committee and Subcommittee meeting minutes and/or any other materials related to the operation of the Plan that the Secretary comes into possession of while acting in such capacity.

At the end of each Plan year, the then current Secretary shall cease acting as the Secretary and the Committee shall vote to select a new Secretary. In the event that a Secretary shall cease acting in such capacity during a Plan year, the Committee shall vote to select a successor Secretary and such successor shall serve until the end of the current Plan year. If the then acting Secretary should possess any Plan related materials including Plan documents, Plan service agreements, minutes from prior meetings and/or any other material related to the operation of the Plan, the then acting Secretary shall transfer all such Plan related materials to the Plan Sponsor prior to vacating the position of Secretary.

G. Responsibilities of Committee Members. The Committee Members shall, at a minimum, perform the following duties and tasks:

- Review all information submitted prior to meetings and be prepared to participate and provide input for recommendations and/or decision-making.
- Share ideas/concerns from employees with the Committee for discussion, consideration, and responses, as appropriate.
- Be respectful of “rules of order” and professional courtesy during meetings.
- Remember that all decisions are for the purpose of ensuring the best value to participants and their beneficiaries, and personal/individual agendas shall not be used as platforms for meeting discussions.
- Address disagreements or questions regarding procedures professionally and at the appropriate time and place.
- Serve as a liaison for questions/concerns between the Committee and the Committee Member’s employer.
- Ensure that all decisions regarding the Plan comply with the provisions of the Plan’s Investment Policy Statement.
- Assist in developing and implementing policies and procedures that are necessary in order to comply with all state and federal laws and standards or codes of conduct, to the extent they exist and are applicable to a governmental deferred compensation plan under IRC §457(b).

- Committee Members shall understand the fiduciary responsibilities assigned to the Committee and their roles in meeting the goals relative to the 457 Deferred Compensation Program. To that extent and as set forth in the attached Exhibit “A,” Committee Member Orientation and Education Policy, annually, the Committee Members must receive fiduciary training to ensure responsibilities and roles are understood.
- Committee Members shall comply with the Committee Code of Ethics, as set forth in the attached Exhibit “B.”

H. Committee Meeting Protocol and Procedures.

1. Rules of Order and Quorum:

- a. The Committee and its Subcommittees shall operate under the general guidance of Robert’s Rules of Order unless State law or Committee action provides otherwise.
- b. A quorum must be present for the Committee or its Subcommittees to conduct business. A majority of the Committee or Subcommittee will constitute a quorum.
- c. A simple majority of the Committee is required to pass and enact any motion or action recommended by any Committee Member.
- d. Committee Members may not attend meetings through delegates or authorize voting by proxy.
- e. Committee Meetings must be held in accordance with the Texas Open Meetings Act, as amended.

2. Scheduling of Regular, Special, and Emergency Meetings:

- a. Regular meetings of the Committee will be held quarterly. Once elected, the Committee Chairperson shall propose a regular meeting schedule to the Committee for the upcoming year. The Committee will thereafter consider the Committee Chairperson’s proposed regular meeting schedule and adopt an annual schedule identifying the time and location of regular meetings. The Committee or Committee Chairperson may modify this schedule at its discretion.
- b. The Committee Chairperson or a majority of Committee Members may call for special or emergency meetings of the Committee.

3. Meeting Notices:

- a. At least seventy-two (72) hour’s notice of all Committee meetings, including executive sessions, shall be provided to the public in accordance with the Texas Open Meetings Act.
- b. If permitted by the Texas Open Meeting Act, in the case of an emergency meeting requiring immediate action to avoid some serious consequence, shorter notice may be provided.

- c. The Committee Chairperson shall provide the members of the Committee with at least (7) seven calendar day's notice of all non-emergency type Committee meetings.

4. Committee Member Attendance:

- a. Committee Members are obligated to make every reasonable effort to attend the meetings of the Committee and the Subcommittees on which they serve.
- b. If a Committee Member cannot attend a meeting of the Committee or a Subcommittee, the member must notify the Chairperson as soon as practicable, but in no event later than forty-eight (48) hours prior to any such meeting.
- c. A Committee Member may participate in any meeting of the Committee by telephone or video conference in a manner consistent with the Texas Open Meetings Act.

5. Meeting Agendas:

- a. The Committee Chairperson, in consultation with the Secretary, will prepare an agenda for each Committee meeting containing a list of the specific matters to be discussed, considered or decided at the meeting.
- b. The Committee may discuss, consider or make decisions only on matters related to those listed in the agenda.
- c. Items may be placed on a future Committee meeting agenda by any of the following means:
 - (1) By initiation of any Committee Member at a meeting of the Committee;
 - (2) By a Committee Member's submission of an item to the Chairperson at least seven (7) calendar days prior to the next scheduled meeting;
 - (3) By the Committee Chairperson;
 - (4) By the Secretary, through the Committee Chairperson;
or
 - (5) By other person's submission of an item to the Chairperson at least seven (7) calendar days prior to the next scheduled meeting.
- d. The agenda shall reflect the means by which each agenda item was added.
- e. The agenda for an executive session must contain a general description of the agenda item or subject matter to be considered at the meeting and the exception under which it may be discussed in an executive session under the Texas Open Meetings Act.

6. Meeting Materials:

- a. The Secretary will make every effort to have the agenda and meeting materials completed and distributed to the Committee Member seven (7) calendar days before each meeting.
- b. The Secretary shall prepare a summary of the issues to be discussed, a staff or committee recommendation, if applicable, and a proposed motion for the Committee to consider.

7. Public Access and Testimony at Committee Meetings:

- a. All open sessions of the meetings of the Committee are public and all persons who wish to attend may do so as required in accordance with the Texas Open Meetings Act.
- b. Every agenda for a regular Committee meeting shall provide the public an opportunity to address the Committee during public comment sessions. The Committee Chairperson may prescribe the time and manner of such public comment.
- c. With regard to matters raised by a member of the public for which proper public notice has not been provided, the Committee or Subcommittee may request the Secretary to investigate the issue further and report back to the Committee or Subcommittee at a later meeting. The Committee may also add such matter to a future Committee agenda.
- d. The Secretary, in consultation with the Chairperson, will convene meetings in facilities and locations that provide the public with reasonable access to all public meetings of the Committee or a Subcommittee as required by state law.
- e. An individual who intends to speak at a meeting of the Committee or a Subcommittee may be required by the Committee to sign a register to permit compliance with minute taking required under state law.

8. Executive Sessions

- a. The Committee and its Subcommittees may conduct business in executive session as permitted by state law. Executive sessions shall be presided over by the Chairperson of the Committee.
- b. Executive sessions shall be closed to the public and subject to the following conditions:
 - (1) The executive session must be held during a regular, special or emergency meeting of the Committee.
 - (2) The executive session must address only those subject matters permitted under the Texas Open Meetings Act.
 - (3) The executive session must satisfy all of the state's notice requirements under the Texas Opening Meetings Act.

- c. The Committee will take no action with regard to a matter during executive session. Any such action must be taken during that portion of a meeting that is open to the public.
- d. The Committee may consult with legal counsel before entering into executive session. Committee Members are prohibited from publicly disclosing the discussions held in executive session. The Chairperson shall remind the Committee or Subcommittee of this prohibition at the beginning of each executive session.

9. Meeting Minutes and Committee Records

- a. The Secretary will ensure that minutes of all meetings of the Committee and Subcommittees are taken and made available to the public as required by state law.
- b. The Secretary will prepare a written copy of the minutes taken at prior meetings of the Committee and present it to the Committee, as appropriate, for approval at subsequent meetings.
- c. The Secretary will keep records of the Committee activities and actions in accordance with state law and such other documents necessary or appropriate to establish a due diligence record of the Committee's activities. All original copies of such records shall be transferred to the Plan Sponsor as soon as reasonably practical.

III.
Plan Related Expenses

It is the intent of each Participating Employer that any expenses related to the effective operation of the Plan be ultimately borne exclusively by the Plan's participants. Until that can be achieved, each Participating Employer has agreed to fund any expense for the development of the Plan on the same basis as the Participating Employer's plan's assets as of the Effective Date bear to the total Plan's assets on that same date. It is expected that those costs would not exceed TWENTY FIVE THOUSAND AND NO/100 DOLLARS (\$25,000.00) for the Plan in each of the calendar years of 2011 and 2012.

It is expected that Williamson County will collect each Participating Employer's portion of expenses as they become due and issue payment for such expense on behalf of all Participating Employers. Upon receiving bills or invoices for Plan expenses, Williamson County will issue a request for payment to each of the Participating Employers and the Participating Employers shall tender its portion of the Plan expenses to Williamson County within ten (10) business days of receiving Williamson County's request for payment.

In the event that a new entity is added to the Plan as a Participating Employer in the future, such new entity must pay a proportionate amount of all Plan start up costs that was initially paid by

the original Participating Employers of the Plan. Such proportionate amount shall be determined based on the amount of assets that the new entity invests in the Plan as such amount of assets bears to the entire amount of assets that the original Participating Employers invested as of the date the plan was created.

IV. CONFORMANCE TO PLAN ADMINISTRATION

The Participating Employers acknowledge and understand that, in order to realize the potential costs savings that can be obtained through a cooperative such as this Plan, the Participating Employers must each follow various common administrative standards and conditions which the Committee and the third party administrator design as a part of the Plan. For example, if the Committee decides loans should be offered to the participants of the Plan, all Participating Employers must offer loans; if the Committee decides that loans must be repaid through payroll deductions, all Participating Employers must provide for the payroll deduction capability; and if the Committee decides that deferral remittances will use the third party administrator's website and EFT, all Participating Employers must comply. The preceding common administrative standards and conditions are only set forth for example purposes and such examples shall not be considered to be an exhaustive list of all types of common administrative standards and conditions that may be set forth by the Committee.

V. MISCELLANEOUS

A. Definitions of Terms. Unless specifically defined herein, the terms capitalized herein shall have the same meaning as the terms set forth in Chapter 609 of the Texas Government Code.

B. Liability of Plan Administrator and Members. The entity serving as the Plan Administrator and the individuals serving as members of the Committee shall not be liable or responsible to a participating employee for the diminution in value or loss of all or part of the participating employee's deferred amounts or investment income because of market conditions or the failure, insolvency, or bankruptcy of a qualified vendor.

C. Construction. Each party hereto acknowledges that it and its counsel have reviewed this charter and these by-laws and that the normal rules of construction are not applicable and there will be no presumption that any ambiguities will be resolved against the drafting party in the interpretation of hereof.

D. Relationship of the Parties. Each party to the Plan, in the performance of its obligations, shall act in an individual capacity and not as agents, employees, partners, joint ventures or associates of one another. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purposes whatsoever.

E. No Waiver of Immunities. Nothing contained herein shall be deemed to waive, modify or amend any legal defense available at law or in equity to the Participating Employers, their past or present officers, employees, or agents, nor to create any legal rights or claim on behalf of any third party. The Participating Employers do not waive, modify, or alter to any extent whatsoever the availability of the defense of governmental immunity under the laws of the State of Texas and of the United States.

F. **Existing Deferred Compensation Plans.** Each of the Participating Employers shall have the exclusive responsibility to continue to administer its existing deferred compensation plans in accordance with the law until such time that a procurement process for a third party administrator has been completed; an agreement with such third party administrator has been approved by the Committee and signed by all necessary parties; and the conversion of the Participating Employer's individual deferred compensation plans to this Plan have been completed.

IN WITNESS WHEREOF, the parties have set their hands on this 12 day of January, 2012 (the "Effective Date").

WILLIAMSON COUNTY

By: _____

Dan A. Gattis,
Williamson County Judge

ATTEST:

By: _____

Nancy E. Rister
Nancy Rister,
Williamson County Clerk

CITY OF ROUND ROCK

By: _____

Alan McGraw, Mayor
Round Rock, Texas

ATTEST:

By: _____

Sara White,
City Secretary
Round Rock, Texas

CITY OF GEORGETOWN

By: _____

George Garver, Mayor
Georgetown, Texas

ATTEST:

By: _____

Jessica Hamilton, Bre-Hle
City Secretary
Georgetown, Texas

CITY OF PFLUGERVILLE

By: _____

Jeff Coleman, Mayor
Pflugerville, Texas

ATTEST:

By: _____

Karen Thompson,
City Secretary
Pflugerville, Texas

EXHIBIT “A”
COMMITTEE MEMBER ORIENTATION AND EDUCATION POLICY

General

The Committee finds that it is critical for the sound governance of the Plan for Committee Members to be fully informed with regard to the nature, purposes, structure, operational systems and processes of Plan. The Committee further finds that it is important that Committee Members are provided with appropriate education and training in areas that will facilitate the performance of their governance and oversight responsibilities as Committee Members and fiduciaries for the Plan.

Committee Member Education Policy

1. Each Committee Member is responsible for evaluating his or her own educational needs and obtaining knowledge in specific subject matters. The Williamson County Human Resources Director and/or its designee will assist them in determining the appropriate information on conferences or seminars to meet their education needs.
2. Committee Members are encouraged to attend select conferences and seminars relating to:
 - a. Investment issues and trends;
 - b. Retirement and deferred compensation benefits design;
 - c. Fiduciary management of employee benefit trusts; and
 - d. Other subjects related to the oversight of the Plan;
3. The Williamson County Human Resources Director and/or its designee will periodically provide to the Committee information on available conferences and seminars.
4. Each Committee Member shall be individually responsible for arranging his or her annual fiduciary education session(s).

Reimbursement of Education Expenses

Reimbursement of travel-related expenses and fees for any educational seminars or information for each Committee Member shall be paid for by the Participating Employer under which such member is employed.

EXHIBIT “B”

COMMITTEE CODE OF ETHICS

General

The Committee has established the following Code of Ethics for the individual Committee Member in order to comply with applicable state law and its duties of loyalty as fiduciaries for the Plan.

The Committee recognizes that compliance with these requirements is often complex and confusing. Committee Members are strongly encouraged to seek the advice of legal counsel whenever there is uncertainty as to the required level of compliance.

State Law

The Committee and its Committee Members will adhere, without limitation; to the following state laws as such apply to the conduct of his or her affairs and to the carrying out the duties of as Committee Members of the Plan:

1. Conflict of interest laws;
2. Gifts and gratuities laws;
3. Contracts and procurement laws relating to supplies and services;
4. Disclosure of interest laws; and
5. Any and all other laws pertaining to a Texas governmental deferred compensation plan.

Code of Ethics

The Committee Members shall:

1. Maintain the highest ethical conduct at all times consistent with their fiduciary duty to act only for the exclusive benefit of the Plan members and beneficiaries.
2. The Committee Members shall conduct themselves with integrity and exercise care, prudence and diligence in handling the affairs of the Plan.
3. Avoid accepting gifts or gratuities prohibited by state law or any future Gift and Gratuities Policy established by the Committee.
4. The Committee Members must avoid conflicts of interest and appearance of conflicts of interest as defined under state law with respect to their fiduciary responsibility. Where a conflict of interest or appearance of a conflict of interest does exist, the Committee Member must disclose such interest immediately and refrain from voting or otherwise participating in any manner with regard to the subject matter of the conflict.

5. The Committee Members shall :

- a. Avoid dealing with assets of the Plan for their own interest.
- b. Not accept gifts or gratuities prohibited by state law.
- c. Not act in any transaction involving the Plan on behalf of any party whose interests are adverse to the interests of the Plan or the members and beneficiaries.
- d. Avoid receiving any monetary or other valuable consideration for their personal account from any party conducting business with the Plan.