



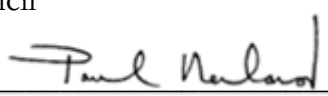
Inter Office Memo

DEPARTMENT OF
PERSONNEL SERVICES

ITEM 8

DATE: September 26, 2014

TO: Deferred Compensation Management Council

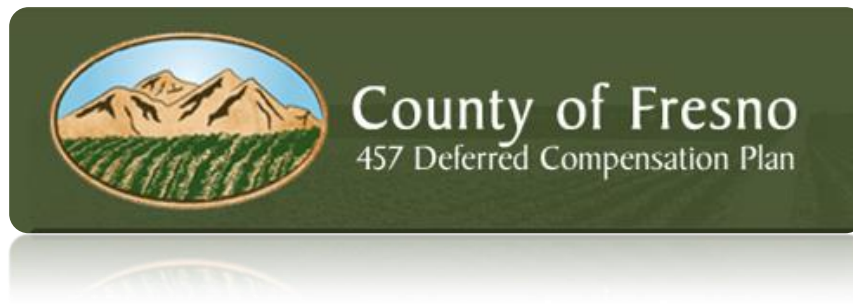
FROM: Paul Nerland, Personnel Services Manager 

SUBJECT: Deferred Compensation Plan Record-keeper RFP Process and Transition

As you are aware, on May 30, 2014, your Council voted unanimously to recommend that the Board of Supervisors appoint Nationwide Retirement Solutions (Nationwide) as the Deferred Compensation Plan Record-keeper, upon the expiration of Agreement #09-528 with Great-West Financial (Great-West). On September 16, 2014, the Board of Supervisors approved this recommendation; staff provided Attachment A to all Deferred Compensation Plan participants through email or regular mail prior to the Board meeting. Staff is actively engaged with Nationwide in the transition process, including the negotiation of agreements. As Attachment A states, there will be minimal changes to the investment lineup, as Great-West has approved the Deferred Compensation Plan's use of their Stable Value Fund and Target-Date Collective Trusts. In addition, staff is working with Great-West to extend Agreement #09-528 through January 23, 2015. The extension is necessary to provide the County, Nationwide, and Great-West sufficient time to provide for a smooth transition.

Staff anticipates that the agreements with Nationwide, as well as the amendment to Agreement #09-528 will go to the Board of Supervisors in late October or early November.

ITEM 8 - ATTACHMENT A



Proposed Changes to the County of Fresno 457(b) Deferred Compensation Plan

On September 16, 2014, a change to the County of Fresno 457(b) Deferred Compensation Plan (Deferred Compensation Plan) will be recommended to the County of Fresno Board of Supervisors. As you are aware, Great-West Financial (Great-West) has provided record-keeping and communication services to the Deferred Compensation Plan since November of 2009. The County conducted a thorough request for proposal process to consider the best vendor for the Deferred Compensation Plan. Final recommendations were presented to the Deferred Compensation Management Council, which is tasked with overseeing the administration of the Deferred Compensation Plan.

After an in-depth review process, the Deferred Compensation Management Council is recommending that the Board of Supervisors pursue a record-keeping and communication services agreement with Nationwide Retirement Solutions (Nationwide). The recommendation is on the Board of Supervisors consent agenda for Tuesday, September 16, 2014 as item number 25 and is posted on the County website.

Why Nationwide?

Of the vendors who responded to the request for proposal process, Nationwide provided the strongest overall proposal, which included enhanced services to participants while charging lower administrative fees.

What will change?

Staff is working with Nationwide to ensure a smooth transition for Deferred Compensation Plan participants, should the Board of Supervisors approve the recommended change. Some key features of the Deferred Compensation Plan that will see little or no changes include:



- **Investment Lineup.** Staff is working with Great-West and Nationwide to maintain the entire investment lineup, with the exception of the First Eagle Overseas fund, which will likely be replaced with a similar fund. Any other changes will be due to a specific investment failing to meet performance standards.
- **Website.** The web address (www.fresno457.com) will remain unchanged, as it is the property of the Deferred Compensation Plan.

Some positive changes include:

- **Increased participant education and outreach.** Nationwide has made a commitment to exceed current service levels in the areas of education and outreach. Nationwide will make more staff available to participants; in addition to a local retirement specialist, we will have access to a retirement specialist who can be reached by phone. This service is **in addition to** the assistance participants may receive using the standard customer service number.

Contact Us!

If you have any questions regarding the recommendation or the Deferred Compensation Plan, please contact Employee Benefits at Personnel-Benefits@co.fresno.ca.us or by calling **(559) 600-1810**. Should the Board of Supervisors approve the recommendation, additional materials will be sent to you and representatives of Nationwide will be available to provide assistance and answer questions.