Employees' Retirement Fund of the City of DALLAS

March 14, 2017

Employees' Retirement Fund of the City of Dallas

Request for Proposals - Pension Accounting Software System

Overview

Project Objective

The Employees ' Retirement Fund City of Dallas ("ERF" or the "Fund") is seeking proposals from companies that provide pension accounting software having an established track record with employee pension and retirement plans and trust funds. The purpose of this Request for Proposals ("RFP") is to allow ERF to select a company to provide pension accounting software and services to the Fund. The firm will provide pension accounting software to include features that implement Dallas City Code 40A including but not limited to the following:

- Provides pension accounting software that processes enrollments across a broad array of product offerings in a summary while applying case-specific eligibility and election rules.
- Maintains member accounts and work history, transactions, records that track work periods, job classifications, hours, repayments, etc.
- Manages the retirement application process from initial estimate through approved benefit. Includes estimates, follow-up correspondence, application generation, waivers, approval processing, and more. Rule-based automation and self-service capabilities supporting straight through processing and administration by exception.
- Provides all the required tools to increase efficiency, accuracy and customer service of the membership transfer and withdrawal processes.
- Provides payroll processing allowing changes and additions to be received close to actual payroll dates.
- A system that allows for overrides, corrections and reversals of system-calculated results.
- Provides for purchases of Service and Buy Backs

Key Factors for the Pension Accounting System

- ERF is currently using CPAS version 5.5.
- ERF manages its own information technology network and uses Oracle 11g for its platform.
- Oracle stopped supporting version 5.5 in September 2015.
- Plans to upgrade were put on hold in the event that changes were approved to Chapter 40A for Tier B.
- Tier B has been successfully approved and now we must proceed with the upgrade for new features and continued support.

Key Factors for the Pension Accounting System

- If ERF selects a new system, it will require a full-time team to evaluate, set up, develop policies & procedures, and train all staff.

- The need to ramp up with a full-time team for the pension project is anticipated to begin June 1, 2017.

- ERF will need to add several people as necessary to fill the roles for the project team to implement the upgrade to the pension accounting system.

Prior Actions Taken

- ERF Staff met with four Pension Software Vendors to review and observe the demonstrations, and question the features and capabilities the pension accounting software system of the following firms:

▪ PensionGold	March 20, 2013	
▪ Vitech	March 20, 2013	Oracle Compatible
▪ Tegrit	March 21, 2013	Oracle Compatible
▪ Sagitec	March 21, 2013	

- All ERF staff were invited to review the demonstration by each of the vendors.

Prior Actions Taken - 2013

Functionality Analysis

Vendor	Fundamental Pension Calculations (QDRO, 415, General etc.)	Proven Implementation Strategy Proposed version	Oracle Data Base	Linux System	Self Service System	Workflow Capability
PensionGold	✓	✓			✓	✓
Vitech	✓		✓	✓	✓	✓
Tegrit	✓		✓	✓	✓	✓
Sagitec	✓	✓			✓	✓
CPAS	*	✓	✓	✓	✓	✓

* QDRO and 415 are manual calculations currently.

Vendor Cost Analysis - 2013

Vendor	Estimated cost proposed by vendor as of 2013
CPAS	$1,500,000 as of 2015
PensionGold	$3,500,000 as of 2013
Sagitec	$5,036,725 as of 2013
Tegrit	$1,742,549 as of 2013
Vitech	$5,700,000 as of 2013

Targeted Vendors

- CPAS – Toronto, Canada
- PensionGold - Springfield, IL
- Sagitec - Saint Paul, MN
- Tegrit - Livonia, MI
- Vitech - New York, NY

Proposal Evaluation

	Category	Weight (pts)
1.	**Knowledge, Experience, and Past Performance in Related Fields**. The Offeror's knowledge and experience, and past performance in providing public sector - defined benefit plans software and services, and the administration thereof including the ability to calculate retirement benefits, process retiree payroll and proven implementation strategies. This knowledge should be revealed with successful results of current or past clients.	20
2.	**Qualifications of Key Personnel**. The capability, experience and qualifications of primary personnel designated to serve the Fund before during and after software implementation; the availability and commitment to ERF of such personnel and their continuity with the company; and the ability of such personnel to complete time project milestones regarding software implementation.	10
3.	**Implementation Approach.** Offeror should describe why their solution implementation approach will provide ERF with the best chance of a successful project. In addition, Offeror is to provide a detail description for the following Options: • On-Site Hosting (Server Based) • Vendor Hosting (Cloud Based)	15
4.	**Functionality Capabilities** The offeror must describe in detail the ability of their organization's software for each **Functional Requirement** listed below. If the offeror's software is unable to meet any of the identified requirements, it must be carefully noted in the response. a) Membership tracking b) Benefit calculations i. QDRO ii. IRS 415 c) Benefit payments d) Case Management tracking e) Workflow approval f) Task management g) Seminar tracking h) Member/Payee Activity i) Security	25
5.	**Cost.** Appropriateness and competitiveness of the cost proposal. This cost should be based on hourly rates, by classification of the organization's service providers.	20
6.	**Diversity.** The proposer's commitment to equal employment opportunity.	10
	Total Possible Points	**100**

Timeline

Request for Proposal Schedule:

Solicitation Schedule	Date
RFP Issued	Friday, March 17, 2017
Deadline for Questions from Vendors	Friday, March 24, 2017
Answers to all Questions from ERF Staff	Tuesday, March 28, 2017
Sealed Proposals Due to the Fund	Friday, April 7, 2017
Staff Recommendation of Vendors for Due Diligence to the Board/Board Approval	Monday, April 13, 2017
Staff recommendation to the Board/Board Approval	Tuesday, May 9, 2017
Implementation – Minimum 12 months	Thursday, June 1, 2017

Recommendation

- Approve issuance of the RFP for a Pension Accounting Software System