

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

December 7, 2021

FROM

DIANE RUNDLES, Director, Human Resources Department

SUBJECT

Agreement with Voya Retirement Insurance and Annuity Company, Voya Financial Partners, LLC, and Voya Institutional Trust Company for Recordkeeping Services of the Voluntary Retirement Plans and the Retirement Medical Trust Plan

RECOMMENDATION(S)

Approve **Contract No. 21-909** between San Bernardino County and Voya Retirement Insurance and Annuity Company, Voya Financial Partners, LLC, and Voya Institutional Trust Company, as the provider for administration, investment, and recordkeeping services for the Voluntary Retirement Plans and the Retirement Medical Trust Plan, for the period of January 1, 2022, through December 31, 2026, with an option to extend one additional two-year term.
(Presenter: Diane Rundles, Director, 387-5570)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Improve County Government Operations.

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). Costs associated with recordkeeping services provided by Voya Retirement Insurance and Annuity Company, Voya Financial Partners, LLC, and Voya Institutional Trust Company (collectively, Voya) are paid for by plan participants. The San Bernardino County Defined Contribution Plans Administrative Services Agreement (Exhibit 1) requires that Voya reimburse the County for the plans' reasonable and necessary administrative expenses.

BACKGROUND INFORMATION

Approval of this item authorizes a five-year agreement between the County and Voya making Voya the contracted service provider for administrative, investment, and recordkeeping services for the County's 401(k) Defined Contribution, 401(a) Defined Contribution, 457(b) Deferred Compensation, Part-time/Seasonal/Temporary (PST) Deferred Compensation and the Retirement Medical Trust (RMT) Plans (collectively, the Plans). Exhibit 1 encompasses all of the Plans and includes the language for the Voya recordkeeping fees and the County administrative fees.

After a formal procurement process, on May 19, 2021, the Defined Contribution (DC) Committee unanimously recommended that the Board of Supervisors (Board) agree to enter into a new five-year contract effective January 1, 2022, with an option to extend one additional two-year term.

**Agreement with Voya Retirement Insurance and Annuity Company,
Voya Financial Partners, LLC, and Voya Institutional Trust Company
for Recordkeeping Services of the Voluntary Retirement Plans and the
Retirement Medical Trust Plan
December 7, 2021**

The DC Committee is an advisory committee to the Plan Administrator (Human Resources Division Chief, Employee Benefits and Services Division) and the Board. The DC Committee meets regularly on a quarterly basis, or more frequently if required, to perform a variety of duties including, but not limited to, reviewing the Plans' investment performance and governance documents, receiving fiduciary trainings and discussing legislative updates. It consists of nine members from the County, associated agencies, and labor organizations including: the Auditor-Controller/Treasurer/Tax Collector, San Bernardino County Employees' Retirement Association, County Administrative Office, Human Resources, Teamsters Local 1932, Sheriff's Employees' Benefit Association and other individuals appointed by the County's Chief Executive Officer.

PROCUREMENT

On November 18, 2020, the DC Committee established a Request for Proposal (RFP) Ad Hoc subcommittee (Subcommittee) to begin the RFP process for Defined Contribution and RMT Plans Administrative and Recordkeeper Provider Services with an effective date of January 1, 2022. The Subcommittee worked in conjunction with the County's DC consultant, Hyas Group, LLC (Hyas), and established criteria for evaluating contract proposals from prospective bidders. On February 17, 2021, the Subcommittee presented the proposed RFP and the DC Committee unanimously approved the release of the RFP. On February 23, 2021, the Human Resources Department released RFP HRD221-HR2-4129. The RFP was made available through the County's procurement system (ePro).

The County received a total of four proposals:

Vendor Name	Parent Location
Voya	New York, NY
ICMA-RC	Washington DC
Nationwide Retirement Plan	Columbus, OH
Empower Retirement	Greenwood Village, CO

Each proposal was evaluated on the following criteria: quality and relevance of experience, quality of systems and security, quality and experience of personnel, and value of fee estimate and rates. After review of the proposals by both the Subcommittee and Hyas, the Subcommittee recommended that Voya continue as the service provider.

On May 19, 2021, the Subcommittee presented its findings and recommendation to the DC Committee which included a discussion of the enhancements secured through the RFP process. These enhancements include a reduction in recordkeeping fees for participants in the Plans, a reduction in RMT plan fees for Claims Active participants (separated from the County and have reached Normal Retirement Age) and Non-Claims Active participants (actively employed or separated from the County and have not reached Normal Retirement Age), and the addition of annual Performance Standards to ensure the highest level of service for participants.

Additionally, Voya agreed to provide these fee reduction enhancements to plan participants effective July 1, 2021, six months in advance of the new contract. The early fee reduction was previously approved by the Board on August 10, 2021 (Item No. 20). Overall, the lower fees represent an annual approximate savings to participants in the Plans of \$920,000.

**Agreement with Voya Retirement Insurance and Annuity Company,
Voya Financial Partners, LLC, and Voya Institutional Trust Company
for Recordkeeping Services of the Voluntary Retirement Plans and the
Retirement Medical Trust Plan
December 7, 2021**

The DC Committee unanimously voted to approve the recommendation of the Subcommittee and recommends that the Board enter into a new five-year contract with Voya, effective January 1, 2022, with an option to extend one additional two-year term. The proposed contract may be terminated for any reason by either party with a thirty (30) day written notice of termination.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Jolena E. Grider, Deputy County Counsel, 387-5455) on November 5, 2021; Purchasing (Bruce Cole, Supervising Buyer, 387-2148) on November 9, 2021; Finance (Jessica Trillo, Administrative Analyst, 387-4222) on November 12, 2021; and County Finance and Administration (Robert J. Saldana, Deputy Executive Officer, 387-5423) on November 17, 2021.

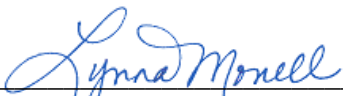
**Agreement with Voya Retirement Insurance and Annuity Company,
Voya Financial Partners, LLC, and Voya Institutional Trust Company
for Recordkeeping Services of the Voluntary Retirement Plans and the
Retirement Medical Trust Plan
December 7, 2021**

Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Dawn Rowe
Ayes: Col. Paul Cook (Ret.), Janice Rutherford, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: December 7, 2021



cc: HR - Coughlin w/agree
Contractor - C/O HR w/agree
File - w/agree w/attach
CCM 12/13/2021