

Appendix E: Fee Proposal

Offeror must complete the worksheets below. All charges must be detailed in this Fee Proposal. Any charges not listed in this section of the Proposal will not be allowed during the contract unless the scope of the contract is expanded to include additional services not requested herein and is otherwise negotiated and agreed to in a written amendment to the contract.

Fees shall be guaranteed for a period of five (5) years, subject to future price reductions based on increased asset size. TRS expects favorable fee renegotiations if the Plan assets increase significantly more than estimated during the contract period.

Section A: Full Plan Administration and Recordkeeping

1. In the tables below, please provide your required revenue for providing the items outlined in the Scope of Services described in Appendix H of this RFP. Please express your fee both as a percentage of assets and as a per participant fee.
2. While TRS will ultimately determine the number of field service representatives provided under this contract, please provide your required revenue including the cost of 3 salaried (non-commissioned) field service representatives as well as a price that excludes the cost of these representatives. This number will be used for evaluation purposes only and in no way requires TRS to select 3 representatives; the final number will be determined during contracting.

This contract is for recordkeeping and administrative services only. Pricing **should not assume** any proprietary investment offerings will be included in the investment array.

Contract Year	Annual Fee including the cost for field rep (%)	Annual Fee excluding the cost for field reps (%)	Assets (\$)¹	Annual Fee (To be calculated by TRS)
7/1/2020 – 6/30/2021			72,000,000	
7/1/2021 – 6/30/2022			77,760,000	
7/1/2022 – 6/30/2023			83,980,800	
7/1/2023 – 6/30/2024			90,699,264	
7/1/2024 – 6/30/2025			97,955,205	
			Total Contract Cost	

¹Estimated asset values calculated using an assumed \$3,000 annual plan contribution from the estimated participant value outlined below.

Contract Year	Per Participant Fee including the cost for field reps (\$)	Per Participant Fee excluding the cost for field reps (\$)	Participants²	Annual Fee (To be calculated by TRS)
7/1/2020 – 6/30/2021			24,000	
7/1/2021 – 6/30/2022			25,920	
7/1/2022 – 6/30/2023			27,994	
7/1/2023 – 6/30/2024			30,233	
7/1/2024 – 6/30/2025			32,652	
			Total Contract Cost	

²Estimated participant values calculated using 15% of the active eligible members population (estimated at 160,000) and an 8% annual participant growth figure.

Note: Asset values and participant counts displayed above are only to be used for evaluation purposes. Values are not guarantees for purposes of contract payment and are based on estimated projections.

Section B: Dedicated Field Representatives

Please provide the cost in dollars for one (1) dedicated, salaried field representative and indicate how many individuals are recommended as part of your proposal. As discussed within this Request for Proposal, it is intended that the field representatives will be able to discuss both the DC and DB elements (at a high level) with participants/members.

\$ _____ per representative per year
 _____ representatives recommended as part of proposal

Section C: Custodial Services

Outline the annual cost in dollars and in basis points associated with your preferred custodian to provide all financial services related to administering the plan. Please note that TRS may elect to contract with its own custodian and this quote may or may not result in a contract for custodial services.

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7/1/2021 – 6/30/2022		77,760,000	
7/1/2022 – 6/30/2023		83,980,800	
7/1/2023 – 6/30/2024		90,699,264	
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		Total Contract Cost	

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		Total Contract Cost	

²Estimated participant values calculated using 15% of the active eligible members population (estimated at 160,000) and 8% annual participant growth.

Section D: Additional Fees/Services

In addition to the costs for plan administration and recordkeeping, describe any additional participant fees that may be assessed (distribution, loans, self-directed brokerage window, etc.). These fees will not be included in the evaluation and will be used for informational purposes only.

Section E: Supplemental Pricing Information

1. Identify any potential legislative or other plan-level changes that would affect your proposed services and the cost implications of each.
2. Please provide a breakdown of the hourly rate associated with technology or other plan-level programming changes and enhancements TRS may wish to undertake during the contract.
3. Describe the cost implications, if any, if changes are made to the current investment line-up. Specify any limitations on the frequency with which changes can be made to funds and if there are limitations on the number or types of funds that could be offered.
4. Describe pricing for additional work that you expect TRS may request periodically during the contract period.
5. Describe any other payment options that you propose.

Section F: Inclusion of Proprietary Investments

TRS is ultimately responsible for the selection of the investment options offered in the Plan and may consider the inclusion of proprietary fund offerings separately from this Request for Proposal process. Does the proposed pricing change if a proprietary fund(s) is (are) included in the array? If so, please indicate the fund(s) and describe the impact to the pricing quotes provided.

If the investment you are proposing is a fixed/stable value product, please provide the following information:

General Account Product

- Is there a contractually guaranteed minimum interest rate for this account? If so, what is that guaranteed minimum interest rate?
- Will this minimum rate be guaranteed for the life of the contract? If not, what is the guarantee period?
- What is the current interest rate on new deposits?
- When does the current interest rate mature?
- When is a new interest rate established?
- What were the historic interest rates / annual returns on this account over each of the last five years?
- What are the provisions / restrictions for participants to transfer assets from this account to other investment options within the fund lineup?

- What are the provisions / restrictions for participants to withdraw assets from this account, either for distribution or to transfer to another provider?
- What are the provisions / restrictions for TRS to transfer assets from this account to an alternate provider at contract discontinuance?
- What are the insurance company's current financial strength ratings from AM Best, Fitch, Moody's and S&P?
- Describe the fees and any revenue sharing that may be applicable.

Separate Account

- Is there a contractually guaranteed minimum interest rate for this account? If so, what is that guaranteed minimum interest rate?
- Will this minimum rate be guaranteed for the life of the contract? If not, what is the guarantee period?
- What is the current interest rate on new deposits?
- When does the current interest rate mature?
- When is a new interest rate established?
- What happens to the guarantee of current interest and / or guarantee of minimum interest for those assets if your company becomes insolvent?
- What were the historic interest rates / annual returns on this account over each of the last five years?
- What are the provisions / restrictions for participants to transfer assets from this account to other investment options within the fund lineup?
- What are the provisions / restrictions for participants to withdraw assets from this account, either for distribution or to transfer to another provider?
- What are the provisions / restrictions for TRS to transfer assets from this account to an alternate provider at contract discontinuance?