

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

PERSONNEL REVIEW COMMITTEE

March 17, 2014

AGENDA

PLACE: Ventura County Employees' Retirement Association
Second Floor Boardroom
1190 South Victoria Avenue
Ventura, CA 93003

TIME: Immediately following the conclusion of the Business Meeting.

ITEM:

- | | | |
|------|--|-----------------|
| I. | <u>CALL TO ORDER</u> | Master Page No. |
| II. | <u>APPROVAL OF AGENDA</u> | 1 |
| III. | <u>NEW BUSINESS</u> | |
| | A. Review of Draft Executive Search Firm Request for Proposal. | 2 - 9 |
| | B. Identification of Executive Search Firms to Provide Request for Proposal. | |
| IV. | <u>PUBLIC COMMENT</u> | |
| V. | <u>COMMITTEE MEMBER COMMENT</u> | |
| VI. | <u>ADJOURNMENT</u> | |

**Ventura County
Employees' Retirement Association**



REQUEST FOR PROPOSAL

**Executive Search Firm
For
Recruitment**

Retirement Administrator

**VCERA Board of Retirement
February 28, 2014**

RFP: Executive Search Firm

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SECTION 1: INTRODUCTION

The Ventura County Employees' Retirement Association (VCERA) is seeking proposals for executive recruitment of a Retirement Administrator and associated consulting activities. The selected consultant will be responsible for creating candidate profiles, a position description, and conducting an executive search to fill the position.

SECTION 2: BACKGROUND

At its meeting on January 27, 2014, the VCERA Board of Retirement appointed a Personnel Committee to issue a Request for Proposal to engage an executive search firm to identify suitable candidates to fill the position of Retirement Administrator. The position is currently vacant due to the resignation of the prior Retirement Administrator, though the duties of the position are being fulfilled by an Interim Retirement Administrator. The Retirement Administrator is accountable for overall administration of the Ventura County Employees' Retirement Association and is charged with managing and overseeing an efficient and cost-effective retirement program. He/she serves as liaison and primary policy advisor to the Board of Retirement.

SECTION 3: OVERVIEW OF VCERA

VCERA is a public agency that was created to administer retirement benefits and operates under the County Employees Retirement Law of 1937. It was established in 1947, following a vote by the people of the County in June 1946. VCERA's membership includes active, deferred, and retired members of two participating employers. There are approximately 16,000 members and beneficiaries served by VCERA, of which 5,900 are retirees and beneficiaries. The Board of Retirement consists of nine members, of whom four are appointed by the County's Board of Supervisors, four are elected by the members of VCERA, and the County's Treasurer is an ex-officio member. There are also two elected alternate members.

Among the Board's responsibilities are determining investment strategies and selecting investment consultants and investment managers, selecting outside actuaries, approving applications for retirement benefits, and reviewing and ruling on disability retirement claims and special cases. The Board's management functions are governed by the applicable provisions of the California Government Code and the by-laws and regulations of VCERA.

The responsibility of the VCERA staff is to provide accounting and counseling for retirement and disability benefits and to give quality information relating to those

benefits. Staff is responsible for assisting the Board in its oversight of the management of the investment program, in accordance with the Board's policies. Additionally, staff is accountable for the financial records and reports including the Comprehensive Annual Financial Report and other fiscal reports, control of the retirement payroll, contributions, accounting and reconciliation of investments. Staff and consultants are currently working on a major information technology upgrade project scheduled to be completed in 2015.

VCERA's portfolio, currently valued at approximately \$4 billion, is invested in a diversified portfolio including domestic and global fixed income, real estate, and private and public equities. The fund realized a positive return of 17 percent for the 12 months ending December 31, 2013. Potential upcoming challenges may include adjustments to VCERA's investment and funding policies in the event of success of a current voter petition that would, among other things, terminate the VCERA plan for new employees.

SECTION 4: GENERAL INFORMATION

All terms, conditions, requirements and procedures included in the RFP must be met for a response to be qualified as responsive. The proposer is solely responsible for the content of its proposal that best meets the evaluation criteria set forth in the RFP. VCERA reserves the right to waive informalities and minor irregularities in the proposals received. The Board's Personnel Committee will recommend to the Board the most qualified firm and proceed with contract negotiations to enter into a professional services contract. In the event such negotiations are unsuccessful, VCERA reserves the right to conduct negotiations with the second most qualified firm. VCERA reserves the right to award a contract to the firm that best meets the requirements of the RFP and not necessarily to the lowest bidder. The most qualified firm may not be the firm with the lowest cost. The RFP, its addendums, and the proposal of the selected Contractor may become part of any contract initiated by VCERA.

SECTION 5: VCERA'S POINT OF CONTACT

From the date of issue of this RFP until the executive search firm is selected and the selection is announced, executive search vendors are not permitted to communicate, for any reason, with any VCERA staff or Board member regarding this procurement, except through the Point of Contact named herein and through the formal interview process. For violation of this provision, VCERA shall reserve the right to disqualify the offending vendor from further participation in this procurement.

The Point of Contact for questions and all matters relating to this RFP is:

Name: Tim Thonis
Title: Interim Administrator
Address: 1190 South Victoria, Suite 200
Ventura California 93003
Telephone: 805-339-4262
Email: tim.thonis@ventura.org

Executive search firm proposals are due by 5:00 p.m. on April 4, 2014, and are to be received by the VCERA office, marked to the attention of the above-listed Point of Contact, within this time-frame. It is the responsibility of the executive search firm to ensure that the proposal arrives on or before the time and date written herein. Failure to comply with this provision will result in disqualification of the RFP response.

SECTION 6: VENDOR QUESTIONS REGARDING RFP

Executive search firms may submit questions regarding this RFP in writing to the Point of Contact named above through April 4, 2014. E-mail is the preferred method of communication. All written questions must include the name of the firm and the person submitting the question(s). A compilation of all questions and answers, along with any RFP addenda, will be posted on the VCERA website, www.Ventura.org/VCERA, as soon as possible, but no later than April 4, 2014. The identity of the person or firm submitting questions will not be revealed on the website.

SECTION 7: SCOPE OF WORK

1. Assist the Board of Retirement to develop and coordinate a time-bound strategy for carrying out the recruitment, including outreach to encourage applicants to apply.
2. Assist the Board of Retirement to develop a position description.
3. Identify potential contacts and conduct personal outreach recruiting to include posting the position through national channels. Assist the Board of Retirement in preparing and placing advertisements for the position in appropriate industry publications.
4. Review curriculum vitae and resumes for background and qualifications followed by telephone interviews to clarify each applicant's experience and to prepare written summaries of up to 10 candidates with the most promising qualifications for each position.

5. Evaluate candidates for serious consideration (five to six candidates) by conducting in-depth reference checks, subject to candidate approval, with individuals who are or have been in a position to evaluate the candidate's performance on the job.
6. Finalize a process with the Personnel Committee of the Board for interviews and coordinate candidates' participation in interviews.
7. Administer a written performance exercise developed in conjunction with the Personnel Committee at time of interview.
8. Debrief with the Board of Retirement following interviews and identify additional candidates if necessary.
9. Verify selected candidates' educational background, and conduct criminal, financial, media, and civil litigation checks.
10. Notify rejected applicants.
11. Assist the Board of Retirement's Personnel Committee in conducting compensation and relocation negotiations with finalist.
12. Reinitiate a one-time additional executive search for the position with the specifications set forth above, at no fee to VCERA, if the successful candidate leaves, for any reason, the employment of VCERA within one year of placement.

The VCERA Board of Retirement will entertain alternate methodologies in the proposals that achieve VCERA's purpose of obtaining a successful placement.

SECTION 8: VENDOR RESPONSE

Respondents to this RFP should submit responses in the following manner:

1. Four (4) paper copies of the firm's proposal.
2. One electronic copy in portable document format (PDF) .
3. Paper and electronic copies of responses must be received on or prior to the deadline indicated in this RFP.

SECTION 9: FORMAT AND CONTENTS OF PROPOSAL

The information set forth in this section should be included with the proposal:

1. Description of your firm including location and number of years in business, scope of services and qualifications for this project.
2. Names and qualifications of the individuals in your organization who would be leading the project.
3. Framework of services for each deliverable of the project.
4. Project timeline.
5. List of successful Retirement Administrator level placement(s) with public pension plans.
6. List of public pension plan references for which the firm has successfully completed executive level placements.
7. Itemized list of fees and expenses.
8. A clear itemization of any options that are not included in the fees and expenses, provided such options are necessary to carry out this project.
9. The firm is welcome to outline additional services or alternative approaches that it feels are in VCERA's best interest.
10. The firm should commit to use of best efforts to deliver services in accordance with such delivery schedule as is provided in the proposal.

SECTION 10: TERMS AND CONDITIONS

Any contract resulting from the acceptance of a proposal shall contain, at a minimum, all applicable provisions of this RFP. At its option, VCERA may take either of the following actions in order to form an agreement between VCERA and the selected firm:

1. Accept a proposal by issuing a written "Notice of Award" to the selected firm, which incorporates the proposal documents by reference and accepts all portions of the

firm's proposal. This "Notice of Award" will represent a contractual obligation, and will be executed by both VCERA and the selected firm.

2. Enter into negotiations in an effort to reach a mutually satisfactory agreement, which represents a contractual obligation and will be executed by both VCERA and the selected firm. This agreement will be based on proposal documents, the submitted proposal and the associated negotiations.