

Retirement Board
Employees' Retirement Plan
Of
Mid-South Transportation Management, Inc.
1370 Levee Road / Memphis, Tennessee 38108-1011
Telephone 901 / 722-7112

Request for Proposal
Pension Plan Accounting Services

April 18, 2011

1. Executive Summaries

1.1 RFP Executive Summary

The Retirement Board (Board) of the Employees' Retirement Plan Of Mid-South Transportation Management, Inc. is selecting an exclusive vendor for its defined benefit pension plan to implement an accounting system, and to determine and oversee the applicable recording and reporting of transactions. The proposed vendor must be knowledgeable of rules concerning compliance with applicable pension regulations and accounting principles. We plan to select a provider that can offer competitive rates, leading-edge services, with consistent quality and timely response to tasks. The reports compiled and generated by the accounting system will be provided to auditor, currently – Banks Finley and White, in the preparation of the annual audit, as well as other requests by the Board. Our objective is to select the vendor who most fully meets the requirements identified in this Request for Proposal (RFP). The Board expects to award a contract pursuant to this RFP in July 2011.

2. Introduction

2.1 Project Background

The Board serves as the Plan Administrator for the privately held defined benefit pension plan for Employees' Retirement Plan Of Mid-South Transportation Management, Inc. The Plan consists of approximately 1000 participants, 60% of whom are actively employed. The current value of the Plan is approximately \$78,500,000.00 and is held in trust with a major financial institution.

2.2 Project Scope

Beginning with calendar year 2011, the Board seeks to secure for selected accounting services, to insure compliance with applicable pension regulations and accounting principles. At a minimum these services shall include the following:

1. Establish chart of accounts. Create a ledger. Summarize trustee's monthly statements based on chart of accounts.
2. Review changes in trustee's monthly statements.

3. Review beginning trustee's monthly statement balances to prior months ending statement balances.
4. Reconcile realized gains and losses for GAAP and 5500-monthly.
5. Reconcile unrealized gains and losses for GAAP and 5500-monthly.
6. Review periodic trustee's statement rebalancing transactions.
7. Review monthly trial balance and financial statements.
8. Review yearend trial balance.
9. Review yearend financial statements.
10. Reconcile year end third-party investment manager reports to year end trustee's statements. Identify FASB 157 investments.

It is anticipated that, if required, data already captured by the trustee and investment manager can be downloaded into an accounting system. Plan Administration can provide an internal resource for some routine manual posting.

The proposed vendor will work with the trustee, investment managers, auditor, attorney, and other vendors as needed. The vendor shall be directed by the Director of Plan Administration, and may, from time-to-time, work with Board members.

3. General Procedures

3.1 RFP Questions, Inquiries, and Clarifications

Any questions or other inquiries from your firm concerning this RFP must be submitted in writing (electronic acceptable) to Lavelle Fitch, Director of Plan Administration. All written questions and inquiries will be answered in writing; oral questions will not be answered in writing. All communications must also be directed to Ms. Fitch at:

1370 Levee Road
Memphis, TN 38108
901.722.7112 Phone
901.722.7142 Fax

3.2 Proposal Format

Your proposal should provide a concise delineation of your firm's capabilities to satisfy the requirements of this RFP, with emphasis on completeness and clarity of content. Elaborate bindings, displays, and promotional materials are neither required nor desired unless they add substance to the firm's proposal. The Board reserves the right to reject any and all proposals submitted that fail to conform to the requirements of the RFP and to request additional information from any firm submitting a proposal.

3.3 Proposal Submittal Guidelines

You must provide nine hard copies of your proposal, one of which must be unbound to facilitate copying. Submission of your hard copy proposals must be made to the following addresses:

Lavelle Fitch, Director of Plan Administration
1370 Levee Road
Memphis, TN 38108
901.722.7112 Phone
901.722.7142 Fax

The Board will acknowledge receipt of all proposals submitted. Acknowledgment will be made electronically by Ms. Fitch. Proposals received after the deadline will not be considered in connection with this RFP.

3.4 Supplemental Information

Unless supplemental oral commentary is specifically requested by the Board, oral communications outside the scope of the procedures detailed in this RFP will not be considered in connection with any firm's proposal. Should the Board elect to award a contract to your firm, your proposal and any supplemental information and responses may be incorporated into and made a part of any final written agreement between the Board and your firm. No such information or other material should be submitted that cannot be so incorporated into the agreement.

3.5 Modification of Request for Proposal

After the Board's analysis of proposals submitted in response to this RFP, the Board reserves the right to negotiate with some or all proposers. The Board may also request submission of additional information from some or all of the initial proposers.

3.6 Proposal Validity

Your hard copy proposal must be signed by an authorized representative of your firm and shall remain valid for a period of 180 days beyond the proposal due date.

3.7 Project Time Frames

The Board anticipates the following general time frames in connection with issuance of this RFP, review and analysis of proposals, award of a contract, and implementation of the selected product:

<u>Event</u>	<u>Date/Time Frame</u>
RFP Issuance	April 18, 2011
Proposals Due	May 18, 2011
Contract Award	June 27, 2011
Service Commencement	July 1, 2011

3.8 Contracts

Please submit a copy of your firm's standard contract(s) for the Board's review with your submittal response to this RFP. Please note, however, that all proposals and contract terms and conditions are subject to revision and negotiation by The Board prior to completion of a final agreement for the proposed products and/or services.

The Board anticipates awarding an initial three year contract. The contract would be renewable annually after three years at the Board's option, subject to agreement on fees and hourly rates.

3.9 Supplemental RFP Information

All material statements from the Board regarding any substantive matter associated with this RFP will be in writing and copies thereof will be forwarded to all firms under consideration.

3.10 Disclaimers

You are hereby advised that the Board is not committed to any course of action as a result of its issuance of this Request for Proposal and/or its receipt of a proposal from you or other firms in response to it. In particular, you should note that the Board may:

- reject any proposal which does not conform to instructions and specifications which are issued herein
- not accept proposals after the stated submission deadline
- reject all proposals, if it so decides
- negotiate with one or more firms
- award a contract in connection with this RFP at any time
- award only a portion of the contract
- make no award of a contract

You are also advised that the Board will not reimburse your firm for any proposal preparation costs or other work performed in connection with this RFP, whether or not your firm is awarded a contract.

4. Proposal Evaluation

4.1 Evaluation Criteria

The Board will evaluate each firm's proposal in a fair, consistent and objective manner. Responses to questions or requirements identified in this RFP will form the basis of the Board's evaluation. The primary objective of this RFP is to select the firm that most fully meets requirements for comprehensive, broad-based financial planning services in the most cost-effective manner. The final decision regarding proposal selection and contract award will be subject to management review and approval.

Proposals should include information regarding:

- A. Executive Summary of the Proposal
- B. Qualifications and experience of the firm for the required services (include references for at least three (3) clients for which similar services are provided)
- C. Specialized Experience of the personnel proposed for this assignment (include resumes of key personnel)
- D. Work Plan (describe in detail the process for initial set-up, and the level of effort for on-going services)

- E. Cost (provide a cost for set-up, and costs on-going services, including hourly rates by personnel classification for Year 1, Year 2 and Year 3)

Proposers are encouraged to address the following guidance and questions in their proposal:

Design:

1. Please discuss the major components of your program.
2. Describe how you would structure a working relationship with staff and the anticipated deadlines of materials needed monthly to complete the assigned tasks.
3. Explain your process for understanding a company's needs and how is this information incorporated into the deliverables and discussions?
4. Describe your firm's qualifications to apply GAAP, FASB, ERISA, IRS and other applicable regulations.
5. Explain your commitment to providing ongoing, state-of-the-art service. Explain your system for updating legal, tax and any other issues that change regularly?
6. How do you communicate these changes to clients and companies, and what is your process for systematically updating the Board?

General:

7. How is your company structured? How many staff members will be assigned to this account and their job titles? Who shall serve as the primary contact for this account?
8. Please describe the minimum education and professional certification standards, which your key personnel must meet. What level of ongoing training is required and how is it accomplished?
9. Where are your offices located?
10. How long have you been providing this or similar services?
11. Please submit biographical information for your employees who will be managing this account, detailing their experience. What is the turnover rate for these employees? Is there a program in place to retain key employees?
12. What information do you request from the client? How do you make the gathering process as easy as possible?
13. Please provide 3 references of companies. Identify those for whom you provide similar services.
14. What are the key features of your program that differentiate you from your competitors?

Fees:

15. What are all of your fees – initial and ongoing? What about set-up costs? What about update costs?
16. Explain what types of direct expenses are expected to be reimbursed?

Contract:

17. Please provide a copy of your standard contract/services agreement.
18. Describe your process to ensure the confidentiality of employee information.