



**California Emerging Technology Fund**  
**Request for Proposals**  
**Administrator-Recordkeeping Services for 401K Retirement Plan**  
August 14, 2021

**Introduction**

The California Emerging Technology Fund (CETF) is a not-for-profit charitable organization established pursuant to requirements by the California Public Utilities Commission (CPUC) in approving the mergers of SBC-AT&T and Verizon-MCI in 2005. CETF is governed by a Board of Directors in accordance with Articles of Incorporation and Bylaws. The mission of CETF is to provide leadership statewide to close the Digital Divide and achieve Digital Equity by accelerating the deployment and adoption of broadband to digitally-disadvantaged populations in unserved rural communities and underserved low-income urban neighborhoods.

**Purpose and Overview**

The purpose of this Request for Proposals (RFP) is to invite submissions from qualified firms to provide administrator and recordkeeping services for the CETF 401K Retirement Plan which is a defined-contribution 401(K) safe-harbor plan (Prototype Non-Standardized 401K Profit Sharing Plan and Trust) for which CETF has designated Vanguard mutual funds as investment choices for employees. The Plan currently includes 10 Employees with net assets ending June 30, 2021 in excess of \$3M. Authorized positions for CETF may increase participating Employees up to 13 over the next few years. CETF Fiscal Year runs July through June. Since the inception of the Plan, CETF has retained a firm to serve as an independent Plan Administrator-Recordkeeper to assist with the administration and recordkeeping responsibilities, including preparation of the Annual Report Form 5500 for submission to the IRS and other functions delineated below. The principal of the firm serving as the Plan Administrator-Recordkeeper is retiring which is the reason for issuing this RFP. Responses to the RFP will help CETF determine whether or not to continue to retain an independent Plan Administrator-Recordkeeper or arrange for bundled services with Vanguard.

CETF Management maintains all Employee Participation Forms related to Employee Enrollment, Contributions, and Selections of Vanguard mutual funds for investments. CETF makes month deposits of Employer and Employee Contributions into the CETF 401K Trust Account and monthly transfers online those Contributions into the Vanguard mutual funds. CETF President and CEO prepares monthly Employer and Employee Contribution Reports and Authorization of payments into the CETF 401K Trust Account and provides the documents to the Administrator-Recordkeeper. The CETF Treasurer-CFO makes the monthly online transfers into the Vanguard mutual funds. The President and CEO annually prepares the Census and Summary of all Employee and Employer Contributions for the Administrator-Recordkeeper to prepare the Annual Report Form 5500. Thus, the overall role of the Administrator-Recordkeeper is to ensure legal compliance with IRS laws and regulations and to oversee the interests of CETF separate from Management and Vanguard.

## **Due Date for Proposals**

Responses to this RFP are requested by 5:00 PM PDT on Friday, August 20, 2021. Please see below requirements and instructions on preparation and submission of proposals.

## **Qualifications and Requirements**

Responding firms must provide evidence that they meet the following qualifications:

- Knowledgeable about IRS laws and regulations governing 401K retirement plans.
- Experienced in providing independent administrator-recordkeeping services for not-for-profit organizations, including preparation of Annual Reports Form 5500.
- Able to provide competitively-priced services and articulate any advantages of retaining an independent Administrator-Recordkeeper versus arranging bundled services with Vanguard.

It is desirable that responding firms participate in industry educational programs and peer reviews which should be described in your proposal.

## **Scope of Services for an Independent Administrator-Recording Firm**

The following is the Scope of Services for an independent Administrator-Recordkeeper:

1. Prepare Plan Documents and periodic Amendments. Consult on changes to Plan Documents, either requested by CETF or required by IRS.
2. Prepare employee communications and documents, including:
  - a. Prepare and update Summary Plan Description (provided to Employees upon enrollment and as Plan Amendments are adopted).
  - b. Provide and revise as necessary Participant Enrollment Forms, including beneficiary designations and investment election forms.
  - c. Prepare Annual Safe Harbor Notification.
3. Perform Quarterly Recordkeeping, including:
  - a. Post contributions to employees by source and investment option.
  - b. Reconcile Quarterly Reports, including posting gains or losses by investment option.
  - c. Assist with Vanguard accounts (transfers, redemptions, new accounts).
  - d. Prepare Quarterly Employer Reports and Participant Certificates, including PPA disclosure.
4. Complete Annual Recordkeeping and Reporting including:
  - a. Verify annual compensation and contributions are in compliance with IRS limits.
  - b. Prepare Annual Reports for filing with IRS (5500 & 8955-SSA forms).
  - c. Prepare Annual Employee Certificates and Summary Annual Report.
5. Manage Participant Distributions:
  - a. Prepare paperwork for completion of distribution requests.
  - b. Coordinate with trustee on redemptions and payments.
  - c. Prepare and assist with filing IRS Forms 1099R (and other forms needed if tax is withheld).

## **Proposal Content**

Please submit the following information in your proposal (please be specific but concise—proposals need not be lengthy to be responsive to this RFP):

- Name, address and contact information for your firm and the chief executive.
- Summary overview of your firm, including a description of experience relative to the RFP Qualifications and Requirements.
- Proposed fee and payment structure (CETF currently pays an annual fee).
- Explanation about the value and advantage of retaining your firm as an independent Administrator-Recordkeeper versus arranging for bundled services with Vanguard.
- Description of your not-for-profit clients during the last 2 years with a list of 3 as references for CETF to contact.

## **Submission Instructions**

Please submit an electronic copy of your proposal by 5:00 PM PDT on Friday, August 20, 2021 to CETF Vice President Operations Alana O'Brien at [alana.obrien@cetfund.org](mailto:alana.obrien@cetfund.org) and mail a hard copy to: California Emerging Technology Fund, P.O. Box 5897, Concord, California 94520.

Please note that your proposal does not have to be lengthy, but must be responsive to the RFP. CETF welcomes concise proposals with relevant attachments for efficiency in preparation of your submission.

CETF will review proposals and may conduct interviews. If CETF decides to retain an independent Administrator-Recordkeeper, CETF intends to onboard the firm during September 2021.