



CLINT ZWEIFEL
MISSOURI STATE TREASURER

STATE TREASURER CLINT ZWEIFEL

AND MISSOURI HIGHER EDUCATION SAVINGS PROGRAM BOARD

REQUEST FOR PROPOSAL FOR PROGRAM MANAGER

MISSOURI'S 529 COLLEGE SAVINGS PROGRAM

<u>Schedule of Events</u>	<u>Date</u>
RFP Release	July 8, 2015
Written Questions Submitted	July 24, 2015
Proposal Deadline	August 28, 2015 (1 p.m. Central Time)
Bidder Presentations, if any	Mid-October (TBD)
Program Manager Selection	Mid-November, 2015
Contract Execution	Late January, 2016
Program Launch	June 6, 2016

Submit Proposals to:

**Clint Zweifel, State Treasurer, Harry S. Truman Building, 301 West High Street, Suite 780,
Jefferson City, MO 65101 (573) 751-2411**



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I. PURPOSE

State Treasurer Clint Zweifel (the “Treasurer”) and the Missouri Higher Education Savings Program Board (the “Board”) hereby seek proposals from qualified firms, organizations and/or a consortium of allied financial services institutions (referred to as the “Bidder”) to provide management services in connection with the Missouri Saving for Tuition Program (“MOST”), the state’s qualified tuition program. The Program currently consists of a direct-sold plan (the “Direct Plan”) and an advisor-sold plan (the “Advisor Plan”) (collectively, the Direct Plan and the Advisor Plan are the “MOST Program” or the “Program”). Management services may be provided for the MOST Program, the Direct Plan or the Advisor Plan, as the plans are described below. The Bidder or Bidders selected pursuant to this Request for Proposals (the “RFP”) will enter into a contract for services (the “Contract”) and will be designated the “Program Manager” or the “Plan Manager” as applicable. If separate Bidders are selected for each of the Direct and the Advisor Plans, then separate Contracts will be executed for each plan, with the Direct Plan Manager having responsibility for plan aggregation.

Through this competitive RFP Process, the Treasurer and the Board seek to engage a firm to manage the Direct Plan by providing MOST investors with a low-cost, competitive, and easy to understand array of investment options that will appeal to a broad range of college-savers. The Treasurer and the Board seek a Program Manager who is committed to price leadership and, therefore, low-cost age-based-options are a must. However, there is interest in utilization of a selection of actively managed funds that are both price and performance leaders in their respective categories. When evaluating proposed fees, the Treasurer and the Board will focus specifically on the age-based options and will also consider the asset-weighted average fees of all proposed options based upon the information provided in a Bidder’s proposal. The Treasurer and the Board would like to see a proposed Direct Plan that would fall within the top five (5) of all direct 529 plans on price. Other key components of a proposed Direct Plan are excellent customer service and commitment to supporting local organizations and agencies interested in using the MOST Direct Plan to support scholarship or Child Development Account efforts.

With regard to the Advisor Plan, the Treasurer and the Board seek to engage a firm that exhibits a dedicated commitment to the growth of this plan in Missouri, and perhaps regionally or nationally. The proposed distribution of the Advisor Plan is of utmost importance as are the quality of the underlying funds. The Treasurer and the Board will consider a plan consisting of compelling funds from one or more mutual fund companies. Age-based options are not a necessity in the Advisor Plan; however, the Board would consider them if proposed. While the Treasurer and the Board would prefer to continue the Advisor Plan, they will consider rolling the existing Advisor Plan into the Direct Plan if a bid is not received that, in the Treasurer and the Board’s discretion, satisfies these stated goals and shows promise for growth.

Finally, in light of the tax parity rules in Missouri, the Treasurer and the Board also seek reassurance as to the on-going competitiveness of the MOST Program for Missouri residents. Tax parity presents an opportunity to maintain a leading position among 529 plans nationwide – the Treasurer and the Board seek a partner or partners that are equally committed to that goal.



II. BACKGROUND

MOST was created pursuant to Sections 166.400 through 166.455 of the Missouri Revised Statutes, as amended (the “Act”). The current Missouri enabling statutes can be found here: <http://www.moga.mo.gov/mostatutes/ChaptersIndex/chaptIndex166.html>.¹ MOST was established and is maintained as a qualified tuition program under Section 529 of the Internal Revenue Code of 1986, as amended (“Section 529” and the “Code”, respectively). In 1999, the Board engaged Tuition Financing Inc. (“TFI”) to serve as the initial Program Manager for MOST, which at the start was only offered directly to the public. In 2002, the Board introduced the Advisor Plan. In 2005, the Board selected Upromise Investments, Inc. to replace TFI as Program Manager for the MOST Program and the conversion occurred in June of 2006. In 2010, following a competitive bidding process, the Board again selected Upromise Investments, Inc., n/k/a Ascensus Broker Dealer Services, Inc. (“Ascensus”) as Program Manager for the MOST Program. The term of the current contract with Ascensus expires on June 5, 2016.

MOST Program Description

As of June 30, 2015, the MOST Program had combined assets of \$2,589,484,923 across its Direct Plan and Advisor Plan. Ascensus serves as record keeper, manages the day-to-day operations of the MOST Program and makes policy recommendations to the Board. Vanguard Group, Inc. (“Vanguard”) serves as investment manager, and also provides customer service and marketing services for the Direct Plan. DeAWM Distributors, Inc. is responsible for marketing and distribution of the Advisor Plan. Ascensus serves as the investment manager for the Advisor Plan, which includes underlying mutual funds from American Century, Blackrock Fund Advisors, Capital Research and Management (American Funds), Columbia Management, Deutsche Asset and Wealth Management, Franklin Templeton, Invesco Advisers, PIMCO, T. Rowe Price, and UMB Investment Advisors.

The tables below summarize MOST participation and growth since December 31, 2010:

Accounts:

	12/31/10	12/31/11	12/31/12	12/31/13	12/31/14
Direct	111,416	115,584	121,679	127,757	133,199
Advisor	13,929	14,449	14,740	15,079	15,228
Total	125,345	130,033	136,419	142,836	148,427

Assets:

	12/31/10	12/31/11	12/31/12	12/31/13	12/31/14
Direct	\$1,465,260,207	\$1,542,470,803	\$1,770,067,783	\$2,068,907,737	\$2,244,710,285
Advisor	\$133,412,335	\$142,854,018	\$171,402,270	\$208,221,860	\$227,467,786
Total	\$1,598,672,542	\$1,685,324,821	\$1,941,470,053	\$2,277,129,597	\$2,472,178,071

¹ Please note that on May 15, 2015, the Missouri Legislature passed Senate Bill 366 which modifies the provisions related to the MOST Program. The Truly Agreed and Finally Passed Bill can be found here: <http://www.senate.mo.gov/15info/pdf-bill/tat/SB366.pdf>. As of the date of this RFP issuance, Missouri Governor Jay Nixon has not taken action on SB 366.



See **Exhibit A** for tables showing the underlying fund lineups and breakdown of assets by portfolio for the Direct and the Advisor Plan as of June 30, 2015.

A maximum of \$8,000 by an individual account owner (\$16,000 for a married couple filing jointly) in aggregate contributions *to accounts in any qualified tuition program* is deductible for Missouri state income tax purposes each year. Although there is no annual contribution limit, total contributions to all MOST accounts for any beneficiary may not exceed a lifetime account balance limit, set by the Board (the current limit is \$325,000.00).

All investment options in the Direct Plan are managed by Vanguard. The Direct Plan investment line-up encompasses three types of investment options (1) age-based options, (2) asset allocation options, and (3) individual mutual fund portfolios. Within the investment options, the Direct Plan includes: three age-based alternatives (Aggressive, Moderate and Conservative) which automatically adjust their asset allocations as a beneficiary ages, six asset allocation choices (comprised of various funds that are weighted to create customized alternatives with varying degrees of equity and fixed-income exposures), and nine individual mutual fund choices, which include both passive and actively managed options.

The current cost to participants in the Direct Plan is .29% - .38% for passive investment options and .52% - .61% for active investment options. Age-based passive options are priced at .32%. These costs include the asset-based fees for the underlying mutual funds and program management fees. The Direct Plan does charge an annual fee of \$10.00; however, this fee is waived for participants if any of the following is true: (1) the account owner or beneficiary is a resident of Missouri, (2) the account balance exceeds \$10,000.00, or (3) the account owner has opted for e-delivery of plan documents. Neither the Treasurer nor the Board currently receives any portion of the fees paid by Direct Plan participants or any account setup fee.

For more information regarding the Direct Plan, please see the Program Description located at: <https://cdn.unite529.com/f/248/21630/7d/im.uprinv.com/rc/sr2/mo/programdescription.pdf>

The Advisor Plan investment line-up includes fifteen stand-alone funds (each offered as a stand-alone 529 investment portfolio) and three asset allocation ETFs. The Plan includes A and C Shares, with fees ranging from 0.72% to 1.45% for the A Shares and 1.47% to 2.20% for the C Shares. These fees include the asset-based fees associated with the underlying mutual funds, program management, distribution, and marketing fees. These fees do not include upfront or deferred sales charges or any applicable annual account maintenance fee (\$25 for accounts with assets less than \$25,000). Neither the Treasurer nor the Board currently receives any portion of the fees paid by Advisor Plan participants or any account setup fee.

For more information regarding the Advisor Plan, please see the Program Description located at: <https://cdn.unite529.com/f/248/21630/7d/im.uprinv.com/rc/sr2/missouriadvisor/programdescription.pdf>

Tax Parity

Under current Missouri law, Missouri residents are able to invest in any state's Section 529 qualified



tuition program and receive the same state tax benefits as if they had invested in the MOST Program. Due to this tax parity, it is critical that the Program be as competitive as possible to avoid losing the assets of Missouri residents to competing plans.

Program Administration

The administration of the MOST Program is performed by the Board, which is composed of seven members. The Board meets quarterly, or more often if required, in Jefferson City, MO. By law, the Treasurer serves as the chairman of the Board. Other Board members include: the Commissioner of the Department of Higher Education; the Commissioner of the Office of Administration; the Director of the Department of Economic Development; two members knowledgeable in the areas of finance or the investment and management of public funds, one of whom is selected by the President Pro Tem of the State Senate and one by the Speaker of the House of Representatives to serve a term of four years; and one person having experience in the area of banking or deposit investments appointed by the Governor to serve a term of four years.

The Board is generally responsible for establishing investment policies, strategies, and goals for the Program. Specific duties of the Board include: the annual review of the investment options for the Program; the annual approval of a marketing plan for both the Direct Plan and Advisor Plans; and a quarterly review of marketing and customer service operations and investment performance. The Director of Banking and Investments for the Treasurer's Office monitors the growth of the Program's investments and provides an annual report to the Board documenting findings and recommendations. The Treasurer coordinates and has final approval of marketing plans and initiatives, such as brochures and radio and TV campaigns, recommended by the Program Manager.

Information about MOST Program Administration, including the current investment policy ("Investment Policy"), can be found here: <http://www.treasurer.mo.gov/content/about-the-office/1boardinformation>

Missouri Higher Education Deposit Program

In 2004, House Bill 959 authorized the Missouri Higher Education Deposit Program, as amended (the "Deposit Program"). The new law was codified as Sections 166.500 through 166.529 of the Missouri Revised Statutes (the "Deposit Act"), which can be found here: <http://www.moga.mo.gov/mostatutes/ChaptersIndex/chaptIndex166.html>. The Deposit Program was envisioned as a nonexclusive qualified tuition program alternative to MOST and not as a part of the current Program. Accordingly, this RFP does not include Program Management Services for the Deposit Program.

To date, the Deposit Program has not been launched. If the Deposit Program is ever launched, it will include a distinct Deposit Program Manager, which will provide record-keeping and other account administration services. At this time, the Board expects that the selected Bidder for the Direct Plan (or the MOST Program if one Bidder is selected) will be responsible for aggregating all the Missouri qualified tuition programs, including the Direct Plan, the Advisor Plan and the Deposit Program.

III. SCOPE OF SERVICES

The Scope of Services for each of the Advisor and the Direct Plans encompasses five (5) primary functional areas. A general statement of each of these functional areas is included below:

- Investment Management
- Marketing
- Distribution
- Account Administration
- Transition and Plan Implementation, if applicable

NOTE: References to “MOST Program” or “Program” in this Scope of Services and throughout the remainder of this RFP should be understood to mean either the Direct Plan and the Advisor Plan, or the applicable Plan for which a Bidder proposes to provide management services. Bidders may submit a proposal seeking to serve as Program Manager for both the Direct and Advisor Plans or may submit a proposal seeking to serve as Program Manager for either the Direct or the Advisor Plan. Bidders must clearly indicate in their proposal(s) which Plan or Plans are intended for their bid.

Bidders who submit proposals seeking to provide services for both Plans should be prepared to state whether, if requested by the Board, they will provide services for only one Plan, and whether their proposed costs (or any other information contained in their proposal) would be different if the Bidder was chosen to serve as Program Manager for only one Plan (see Question 1 in the “general information” portion and Question 8, in the “cost proposal” portion of Section VIII – INFORMATION REQUIRED IN PROPOSAL).

Investment Management

1. The Board wishes to continue to operate a Direct Plan and an Advisor Plan; however, the Board will consider discontinuing the Advisor Plan if, in the Board’s discretion, discontinuation of the Advisor Plan is in its and Missouri investors’ best interests. There should be distinctive elements between the Direct Plan and the Advisor Plan that suitably distinguish each Plan and justify any fee differential between them.
2. The Board seeks to promote investment choice and to provide Missouri residents with the most comprehensive investment options possible. Still, while the Board recognizes the importance of investment choices, it requires ease of understanding and clarity – particularly in the Direct Plan – and is not willing to sacrifice simplicity for choice.
3. Each Bidder must propose investment options to appeal to a wide range of investors, and the Board will approve or reject the proposed options and, if necessary, will modify the Investment Policy. The Program Manager will manage investments as a fiduciary for both the account owners and the Program, and in accordance with the Investment Policy. The Board may request modifications to the investment options included in the MOST Program.
4. Bidders must provide aged-based alternatives for the Direct Plan. The Board would prefer actively

managed and indexed investment choices but will not jeopardize clarity for more options. The Bidder also must provide a conservative investment option to appeal to the most risk adverse investors.

5. The Board will consider Bidder proposals with sole provider lineups or multiple fund families. If the Board chooses a proposal with a sole provider lineup, it would like to obtain the option to include non-proprietary replacement or new funds in the future.
6. For the Advisor Plan, Bidders are strongly encouraged to provide different investment options than those included in the Direct Plan.
7. Bidders must possess the requisite knowledge and demonstrated previous experience in providing investment management services, including the ability to consistently deliver investment returns that meet or exceed their respective indices. The investment performance of the investment advisor and funds or fund families provided by other members of the proposed consortium, if applicable, will be benchmarked against appropriate indices.

Marketing

1. The Program Manager will develop, manage, and fund marketing and promotional campaigns for the Direct Plan and the Advisor Plan, as applicable. Each campaign will be tailored for each Plan and designed to inform the public about the Plan and its benefits and to educate the public about the enrollment process. As appropriate and approved by the Treasurer and the Board, the Program Manager shall use a variety of marketing strategies and tactics to reach and inform the public about the MOST Program. The Board anticipates that the marketing plans for each Plan will differ in strategy and tactics.
2. Annually, the Program Manager must submit marketing plans and budgets for the Direct Plan and Advisor Plan to the Treasurer and Board, who shall have complete and total approval of the Program Manager's marketing plans. After approval by the Board of the marketing plans, the Program Manager shall implement the approved marketing and promotional activities with final approval resting with the Treasurer.
3. The Program Manager must submit all marketing materials to the Treasurer for final approval.
4. The Program Manager must maintain a website for the MOST Program. If the Direct Plan and the Advisor Plans have different Program Managers, each shall maintain a website for their respective Plans.
5. A national or regional marketing campaign for the Advisor Plan is strongly encouraged.

Distribution

1. The Program Manager will offer the Direct Plan directly to investors at a competitive cost via on-line enrollment and through a central mailing location.
2. The Direct Plan website must allow prospective account owners to enroll on-line or request enrollment materials through the mail. The site must also allow participants to utilize electronic



banking to contribute to their account(s) on a one-time or automatic basis.

3. Subject to the Treasurer's approval, the Program Manager of the Advisor Plan will enter into selling agreements for the Plan with Missouri, regional and national third-party distributors to provide for distribution through a wide range of professional financial advisors.

Account Administration

1. The Program Manager must possess the requisite knowledge and demonstrated experience in administering investment accounts, subject to IRS regulations.
2. The Program Manager will manage the MOST Program in compliance with the Code, applicable federal and state laws and regulations, including the Act, and the Contract. The Program Manager will agree to process all account activity on a timely basis, and provide state-of-the-art record keeping and exemplary customer service in accordance with terms and standards set forth in the Contract.
3. The Program Manager shall administer the individual accounts and shall provide detailed and accurate individual record keeping for each account owner.
4. The Program Manager shall mail and make available electronically account statements and reports detailing all activity in the individual account to the account owner at least quarterly and within five (5) business days after the end of the activity reporting period. The Board reserves the right to request more frequent reporting.
5. The Program Manager shall disburse funds according to established procedures and legal requirements, including the distribution of aggregated IRS Form 1099Q reports and any other forms required by law for withdrawals.
6. The Program Manager shall provide support services for account owners and a toll-free phone number for the MOST Program.
7. The Program Manager must attend all Board meetings unless otherwise notified by the Treasurer. The Program Manager also must respond to the need for telephone consultation within an 8-hour period or less if needed.
8. Upon request, the Program Manager shall provide the Treasurer access to all files, records, documents and data pertaining to the MOST Program that are in its possession and control regardless of how that information is stored.
9. The Program Manager must keep and protect the confidentiality of participant personal information, including identification numbers, and account access numbers or codes in accordance with all applicable federal and State of Missouri laws.
10. The Program Manager shall provide monthly reports to the Treasurer indicating the number of new accounts and assets for that month and currently in existence, all relevant investment performance results, and other MOST Program administration and marketing information prescribed by the Treasurer or Board. The Treasurer or Board may require changes to the reports at any time. The

Program Manager also will provide a quarterly report outlining customer service inquiries and results, the number and types of complaints and the manner in which they were resolved, the quarterly performance of all investments, and such other information as the Treasurer or Board requests.

11. If the Board selects distinct Bidders to provide services to each of the Direct and the Advisor Plans, it expects aggregation services to be provided by the Program Manager of the Direct Plan unless a cost differential indicates otherwise.

Transition and Plan Implementation, if necessary

1. The Program Manager must provide a detailed timetable for the conversion of existing accounts and assets so that the conversion is complete no later than 5:00 p.m. CT on June 5, 2016 or another date that is agreed upon by the Treasurer and the Board. This timetable will include a thorough communications strategy for account owners and for advisors who offer the Advisor Plan.
2. The Program Manager must provide an investment mapping strategy that demonstrates the similarity of the pre- and post-conversion investments.
3. The Program Manager will be required to ensure that assets are continuously invested throughout the conversion and may be required to engage an outside specialist to reconcile cash, NAVs and investment mapping, or to otherwise ensure a smooth transfer of assets between underlying mutual funds.



IV. PROPOSALS

The Board wishes to continue to operate a Direct Plan and an Advisor Plan; however, the Board will consider discontinuing the Advisor Plan if, in the Board's discretion, discontinuation of the Advisor Plan is in its and Missouri investors' best interests. Should the Board choose to continue to operate a Direct Plan and an Advisor Plan, ease of administration would argue for one Program Manager. Bidders are encouraged to consider business partnerships to meet all of the Board's goals. However, the Board reserves the right to select different Bidders for each Plan, subject to negotiation with each Bidder.

The Treasurer provides staff time to the Board and the MOST Program but it does not have a dedicated, full-time manager for MOST. Consequently, administration and marketing of the MOST Program is the responsibility of the Program Manager(s) selected via this RFP. Bidders should take this into account when preparing their proposals.

The Bidder or Bidders selected pursuant to this RFP will act as Program Manager(s) with guidance and direction provided by the Treasurer. As Program Manager(s), the selected Bidder(s) will take actions to ensure overall compliance with the Code and the Act. This RFP is being issued pursuant to and in accordance with the Act. No moneys have been or will be budgeted or appropriated for the MOST Program by the Treasurer, the Board or any other part of the State of Missouri.

The Board will accept proposals from consortia. Any consortium submitting a proposal must clearly identify each entity in the consortium, which services will be performed by each entity and the single entity which will sign the Contract for all services as Program Manager and thus be responsible for the delivery of services and otherwise for ensuring that all terms of the Contract are satisfied.

The term of the Contract for Services pursuant to this RFP will be five (5) years and will run through June 5, 2021. SECTION IX – GENERAL INFORMATION AND CONTRACT PROVISIONS includes certain provisions to be included in the Contract. The Bidder's cover letter (see Section V – PROPOSAL SUBMISSION PROCEDURE) should explain in detail any objections to the provisions in this Section, proposing specific alternative language for the Treasurer's consideration.

The Contract will incorporate this RFP, including any amendments, written responses to questions, the Bidder's proposal, and any final clarifications or offers made by the Bidder. In the event of an inconsistency between the Contract, this RFP, or the Bidder's proposal (as clarified and supplanted) the order in which the provisions of these documents shall prevail will be the Contract, this RFP (as amended and clarified by written questions), and the Bidder's proposal.



V. PROPOSAL SUBMISSION PROCEDURE

Proposals must be completed, signed and returned (with all necessary attachments) to Clint Zweifel, State Treasurer, Harry S. Truman Building, 301 West High Street, Suite 780, Jefferson City, MO 65101 by **1 p.m. Central Time, on August 28, 2015.**

BIDDERS SHOULD BE AWARE THAT, ALTHOUGH THERE ARE LIMITED EXCEPTIONS, PROPOSALS BECOME PUBLIC RECORD UNDER MISSOURI LAW. THUS THE TREASURER AND THE BOARD WILL DEEM ALL PROPOSALS DELIVERED TO BE PUBLIC DOCUMENTS UPON EXECUTION OF A CONTRACT OR REJECTION OF ALL BIDS. PROPOSALS MAY BE PROVIDED IN RESPONSE TO FUTURE MISSOURI OPEN RECORDS LAW REQUESTS WITHOUT NOTICE TO OR CONSULTATION WITH THE BIDDER.

Submission of Written Questions

All questions regarding this RFP must be in writing. Bidders should submit their written questions via email to the Treasurer at MOSTRFP@treasurer.mo.gov. It is the responsibility of the Bidder to ask questions or seek clarification of any language, specifications, or requirements of the RFP.

Questions regarding the RFP must be received by the Treasurer by 5 p.m. Central Time on **July 24, 2015.** Written answers to all questions submitted will be emailed to all potential Bidders who have asked for them (see below) by **August 3, 2015.**

Potential Bidders who would like to receive a copy of all questions submitted and answers provided regarding the RFP should send an email to the Treasurer at MOSTRFP@treasurer.mo.gov indicating this request no later than **July 24, 2015.**

RFP Amendments

If it is necessary to amend this RFP, the Treasurer will post amendments on the Treasurer's website and will email each amendment to each potential Bidder who has requested such notification from the Treasurer (see below).

Potential Bidders who would like to receive notification of any RFP amendments should send an email to the Treasurer at MOSTRFP@treasurer.mo.gov indicating this request no later than **July 24, 2015.**

Submission of Proposal

A Bidder's response must include the original and seven (7) printed copies. One electronic copy must also be submitted. The original proposal must be marked "ORIGINAL". **Responses must be delivered directly to the Treasurer by the deadline of 1 p.m. Central Time on August 28, 2015.**

The original and each copy of the proposal must include the following:

- A cover letter including clear, unambiguous acceptance of the contract provisions set forth in

SECTION IX or proposed alternative language (see SECTION IV – PROPOSALS). The cover letter must be signed by the professional authorized to submit the proposal on behalf of the Bidder. The cover letter should also indicate the name, email address, and telephone number of the individual with authority to answer questions or clarify its responses.

- Answers to the specific questions set forth in Section VIII – INFORMATION REQUIRED IN PROPOSAL.
- All **Attachments**, which are specified on **Exhibit B** (Required Attachments).

Submitted proposals in response to this RFP are firm and binding offers valid for one (1) year after the deadline for their receipt.

Presentation of Supporting Evidence

A Bidder, if requested, must be prepared to present evidence of experience, ability, service resources, and financial standing necessary to satisfactorily meet the requirements set forth or implied in this RFP or applicable law or to support its proposal.

Competitive Negotiation of Proposals

Bidders are advised that under the provisions of this RFP, the Treasurer reserves the right to conduct negotiations of the proposals received or to award a contract without negotiations. If such negotiations are conducted, the following conditions shall apply:

- Negotiations may be conducted in person, in writing or by telephone;
- Negotiations will only be conducted with potentially acceptable proposals. Bidders involved in the negotiation process may be invited to submit a best and final offer.
- Terms, conditions, prices, methodology or other features of a Bidder's proposal may be subject to negotiation and subsequent revision. As part of the negotiations, the Bidder may be required to submit additional information in order to allow a detailed evaluation of the feasibility, reasonableness and acceptability of the proposal.
- The Mandatory Requirements of this RFP shall not be negotiable and shall remain unchanged unless the Treasurer determines that a change in such requirements is in the best interest of the State.

Late Submissions

A proposal shall be considered late if received at any time after 1 p.m. Central Time, August 28, 2015. Absent extraordinary circumstances (which are determined at the discretion of the Treasurer) proposals received after the specified time **WILL NOT** be given further consideration. It is the Bidder's responsibility to ensure timely delivery of mailed materials.

VI. EVALUATION OF PROPOSALS

Each written proposal will be evaluated by the Treasurer and will be reviewed for compliance with the RFP requirements and specifications. The Treasurer may contact a Bidder for clarification of its response and may use other sources of publicly available information to perform the evaluation. A Bidder may be required to give an oral presentation at the Treasurer's or Board's discretion. A final recommendation will be made to the Board, which will then have the power to accept the proposal and to direct the Treasurer to negotiate a Contract with the Bidder. If the Board selects different Program Managers for the Direct and the Advisor Plans, it expects to enter into separate Contracts for each Plan. The following will be considered in the evaluation of proposals:

- The Bidder's understanding of the Program and its purpose and scope, as evidenced by the proposed approach and proposed level of effort, including Investment Management and Selection, Marketing and Distribution, and Account Administration
- Proposed Pricing
- Experience in the 529 Industry
- Financial stability
- Competence of personnel
- Transition Capabilities and Plan, if necessary

Other than as explicitly allowed by the terms of this RFP, Bidders are not to contact the Treasurer or his employees or consultants, employees of other State agencies, members of the General Assembly, or any members of the Board concerning this RFP during the procurement and evaluation process. Such contact may cause the Bidder's proposal to be rejected.

VII. MANDATORY REQUIREMENTS

All of the following items must be initialed by an authorized representative of the Bidder, indicating the Bidder's agreement to perform the mandatory requirements as stated and the Bidder's understanding of the Program's operations and the expectations of the Program Manager. However, a Bidder may asterisk an item (*) and document an alternative solution to the requirement. If such an alternative solution is as cost effective and meets the same needs as the current system, the Bidder will be considered to have accepted the mandatory requirement. **The initialed Mandatory Requirements must be included as Attachment 2 to the Bidder's submission. Failure to comply may be cause for rejection of the Bidder's proposal.**

Minimum Program Manager Qualifications

- _____ a. The Bidder and all members of the Bidder's consortium providing investment management and advisory services including mutual funds or other securities must have at least five (5) years' experience in the asset management or investment management field, with at least \$1 billion in funds under management in each of the last five (5) years.
- _____ b. Bidder and all key subcontractors, if any, must be registered to provide all services, or must be specifically exempt from registration.

Operating Requirements

- _____ a. The Program Manager shall develop, market, implement, administer, and manage the MOST Program on behalf of the Board in compliance with State and federal law and in accordance with the provisions and requirements of this RFP.
- _____ b. The Program Manager shall perform all services under the direction of and to the sole satisfaction of the Board with an ultimate goal of encouraging families to save for post-secondary education costs.

Planning Requirements

- _____ a. By no later than fourteen (14) calendar days after the effective date of the Contract, the Program Manager shall meet with the Treasurer and shall finalize the work plan for development and implementation of the MOST Program and the associated transition, if one is required, from the Board's current Program Manager.
- _____ b. The work plan shall, at a minimum, include and address the information contained in the final proposal submitted in response to this RFP and the following documentation:
 - Rules, regulations, policies, procedures necessary for implementation and steps/actions and responsible party (ies) necessary to affect such rules, etc.
 - Efforts required by the Program Manager, the Treasurer, and personnel from other entities or providers.

- Time periods that will be affected, including projected implementation date, federal time limitations, proposed data submission schedules, etc.
- All other information needed by the Treasurer in order to determine planned actions and responsibilities.

- _____ c. The Program Manager shall agree and understand that the Treasurer shall have the right to modify, require changes, and/or to require additional elaboration to the work plan as deemed necessary in order to insure a comprehensive understanding of the MOST Program and planned activities for its implementation.
- _____ d. The Program Manager shall not proceed with performance of any services until the work plan is approved by the Treasurer. After approval by the Treasurer of the work plan, the Program Manager shall perform the services required in accordance with the approved work plan.
- _____ e. The Program Manager shall agree and understand that performance of services and implementation of the MOST Program in accordance with the approved work plan is an essential function of the Treasurer and is considered critical to the efficient operation of Board. However, the amount of actual damages that will be realized as a result of the Program Manager's failure to comply with the work plan is difficult to establish until final approval of the work plan. Therefore, after final approval by the Treasurer of the work plan, the Program Manager and the Treasurer shall mutually agree upon liquidated damages that shall apply for each requirement in the work plan.
- _____ f. In the event that the Program Manager is unable to or does not comply with a requirement in the work plan, the Program Manager shall be assessed the agreed upon amount of liquidated damages and shall agree that the amount of liquidated damages assessed shall be reasonable and fair under the circumstances.
- _____ g. The Program Manager shall further agree and understand that such liquidated damages shall be paid directly to the Board or the Treasurer.
- _____ h. During the provisioning of services, if the Program Manager or the Treasurer determines that any part of the work plan requires changes or modifications, the Program Manager must submit documentation to the Treasurer, in writing, regarding the changes necessary. Any such changes must have the written approval of the Treasurer prior to performance by the Program Manager.

Performance Requirements

- _____ a. The Program Manager shall develop and conduct a marketing plan to inform the public about the MOST Program. The marketing plan will be approved by the Treasurer and Board, and shall be strategically and tactically implemented with the approval of the Treasurer.
- _____ b. The Program Manager will develop and implement a plan, with the approval of the

Treasurer, to clearly and concisely communicate all Program fees. This information will be updated and accurately available at all times on the MOST Program's website.

- _____ c. All vendors producing marketing materials are subject to approval by the Treasurer, and preference shall be given to vendors who are union members.
- _____ d. Any third-party marketing services and all marketing material production shall be done through companies maintaining physical office space in Missouri.
- _____ e. The Treasurer reserves the right to approve all third-party contractors used in the development or implementation of the marketing plan.
- _____ f. The Program Manager must submit all marketing materials to the Treasurer for final approval.
- _____ g. For each person enrolled, the Program Manager shall deposit the funds within one Banking Day by the Midnight Deadline into an individual account and must maintain such account in compliance with State and federal statutes. If the Program Manager does not deposit the funds by the Midnight Deadline, the Program Manager shall credit each individual account owner's account with an amount equal to one day's interest for each Banking Day that the Program Manager does not deposit the funds. (Banking Day and Midnight Deadline shall be as defined in Article 4, Part 1, 400.4-104 (3) and (10) in the Missouri Revised Statutes.)
- _____ h. The Program Manager shall administer the individual accounts and shall provide detailed and accurate individual record keeping for each account owner. The Program Manager shall mail, or e-mail if the account owner opts-in, account statements and reports detailing all activity in the individual account to the account owner according to the schedule and frequency approved by the Board. Such schedule must be at least quarterly and must be completed by no later than fifteen (15) business days after the end of the activity-reporting period.
- _____ i. The Program Manager shall process contributions from participants on the business day that they are received in good order.
- _____ j. The Program Manager shall disburse MOST Program funds according to established procedures.
- _____ k. The Program Manager shall submit monthly reports to the Treasurer that detail all activities of the MOST Program for the reporting period. Such reports shall include all financial transactions including deposits and disbursements during the reporting period. The monthly reports shall include all other information requested by the Board or the Treasurer and shall be submitted by no later than fifteen (15) business days after the end of the month.
- _____ l. In addition to the reports specifically required herein, the Program Manager must provide additional financial and analytical reports as deemed reasonably necessary by the

Treasurer or the Board.

- _____ m. The Program Manager shall provide continual and ongoing management and administration of the Program including ongoing marketing, administration, account service, management of funds, etc.
- _____ n. The Program Manager shall keep abreast of any changing economic trends, changes to the laws, regulations, rules, etc., and shall update the Program, Treasurer, and Board accordingly.
- _____ o. The Program Manager must obtain the approval of the Board of any changes to the MOST Program prior to implementation of such changes.
- _____ p. The Program Manager shall continually provide training to the Board and Treasurer in order that such personnel have current knowledge of the Program, on the use and operation of any equipment, software, or systems provided or used per the Contract, and on the activity of the MOST Program investments.

Financial Requirements

- _____ a. The Program Manager shall agree and understand that the Board, the Treasurer and the State of Missouri shall not be obligated for any payment or reimbursement whatsoever to the Program Manager under the terms of the Contract.
- _____ b. The Program Manager shall agree and understand that its proposed compensation shall be as specified under Cost Proposal in SECTION VIII of the RFP.
- _____ c. If basis point pricing is proposed, then the Program Manager's fees shall be unitized on a daily basis.
- _____ d. If annual account fees are included in the Cost Proposal in SECTION VIII of the RFP, then the Program Manager shall deduct the stated fixed fee from each eligible account on an annual basis each December.
- _____ e. Other than compensation to the Program Manager as stated herein, no other payments or reimbursements shall be made to the Program Manager for any reason whatsoever.
- _____ f. The Program Manager shall be responsible for all costs of transition, if one is required, from the current Program Manager.

Other Requirements

- _____ a. The Program Manager shall develop a team to coordinate communication, deliverables, and progression between the Treasurer, the Board and the Program Manager. The team must have the advanced communication (oral and written), organizational, and management skills to service the MOST Program. The Treasurer reserves the right to approve or not approve any development team structure and members of that team as deemed necessary.

- _____ b. The Program Manager must maintain financial and accounting records and evidence pertaining to the Contract in accordance with generally accepted accounting principles and other procedures specified by the Treasurer and Board. These records must be made available at all reasonable times to the Board and/or its designees and the Missouri State Auditor during the Contract period and any renewal period thereof, and for the length of time specified below for maintaining contract records after final expiration of the Contract.
- _____ c. The Program Manager shall maintain books, records, documents, systems, and other evidence pertaining to the administrative costs and expenses of the Contract to the extent and in such detail as shall properly reflect all revenues, all net costs, direct and apportioned, and other costs and expenses of the Contract.
- _____ d. The Program Manager shall agree that unless the Treasurer or Board specifies in writing a shorter period of time, the Program Manager shall preserve and make all MOST Program documents available to the Treasurer, the Board or to any State agency so requesting it at any time for up to six (6) years after termination of the Contract.
- _____ e. The Program Manager shall agree in the Contract to fee reductions based on future asset and account growth or upon some other measurable basis to ensure the continued competitiveness of the Direct Plan for Missouri residents, including the commitment to continuously charge fees that are in the lowest 10% of all direct-sold 529 plans. When evaluating proposed fees, the Treasurer and the Board will focus specifically on the age-based options and will also consider the asset-weighted average of all proposed options.
- _____ f. The Program Manager shall provide a marketing budget based upon the term of the Contract or an annual sum that shall not include any marketing expenditures associated with rewards programs or marketing efforts not resulting from the budget controlled by the Board and Treasurer.
- _____ g. If serving both Plans, the Program Manager shall provide a marketing strategy to distinguish the Advisor Plan and Direct Plan from each other, if recommended and agreed upon by Treasurer.



VIII. INFORMATION REQUIRED IN PROPOSAL

Bidders must provide clear and complete written responses to each of the following questions. Responses must be numbered in the same manner as the individual questions and will be used in evaluating each Bidder's proposed method of performance. Where applicable, answer "yes" or "no".

Failure to comply may result in rejection of the Bidder's proposal.

Executive Summary

Provide a broad overview of your firm, the experience and background of those who would be assigned to the management of the MOST Program and the services you intend to provide to the Board. Most importantly, discuss the distinguishing characteristics of your firm and your Bid, and the reasons why your firm should be selected to perform the functions for which it has responded.

Please limit the Executive Summary to no more than three (3) pages.

General Information

1. Please state whether the Bidder is proposing to provide management services for (a) the Direct Plan only, (b) the Advisor Plan only, or (c) both the Direct and the Advisor Plans. If the response is for both Plans, then please also indicate whether the Bidder would agree to serve as Program Manager for only one Plan and specify that Plan.
2. Discuss the history of the Bidder's organization, ownership and capital structure, and lines of business. The Bidder must provide copies of its audited financial statements for the past three (3) years as well as the most recent annual report and all SEC filings for the last complete fiscal year, and filings for the current fiscal year, if any (as **Attachment 3**). If applicable, please also provide copies of the most recent audited financial statements for all proposed subcontractors in the same **Attachment 3**.
3. If applicable, please provide the short-term and senior unsecured debt (long-term) ratings from Standard & Poor's and Moody's Investors Service or equivalent from a Nationally Recognized Statistical Ratings Organization ("NRSRO") for the Bidder, any proposed subcontractor, and/or any related entity of the Bidder.

NOTE: As used in this RFP, the term "related entity" means any partnership, corporation, limited partnership, limited liability company, joint venture, association or other entity owned by the Bidder, which owns the Bidder, in which the Bidder owns a financial interest of five percent or more, or which owns a financial interest of five percent or more in the Bidder.

4. Describe how your firm satisfies the Minimum Program Manager Qualifications outlined in Section VII.
5. If a consortium of companies is proposed, list each entity, their area of responsibility, and reporting relationships. Please explicitly identify the entity that will serve as the Contract party, as well as all affiliates, subsidiaries and other entities that will provide services to meet the

requirements of this RFP, including, but not limited to the custodian, the transfer agent, the recordkeeper, the distributor, and the investment manager.

Provide a chart showing the legal arrangements among all the entities that will combine to provide the services required under this RFP. If the Contract party is not a parent entity, please indicate your willingness to provide a parent guarantee or propose a suitable alternative to ensure performance of the services to be provided pursuant to the Contract (the successful Bidder will be responsible for all costs associated with the services provided by subcontractors and will be liable for any negligence or misconduct by the subcontractors).

6. Describe the Bidder's procedures for compliance with: (1) Section 529 and applicable regulations; (2) MSRB regulations, including but not limited to, MSRB Rule G-45; (3) CSPN disclosure principles; and (4) industry best practices.
7. For the Bidder, and every entity identified in Item 5 above, what, if any, significant organizational changes (i.e., mergers, acquisitions, business concerns, etc.) have occurred since January 1, 2011 and do you expect any in the next year? Please explain.
8. No portion of the Contract shall be handled outside of the United States. Can the Bidder comply with that?
9. Please describe what presence, if any, the Bidder has in the State of Missouri. Describe how the Bidder would perform services in Missouri, by listing the task and the name and office location of the individual(s) who will be responsible for the proposed services, and the percentage of that individual's time dedicated to the assigned responsibility. If none, does the Bidder plan to add any Missouri presence if awarded the Contract?
10. For each of the subparts of this Question 10, please provide the requested information as it applies to the Bidder, the investment advisor, the investment manager, any proposed subcontractor, any related entity of the Bidder or proposed subcontractor, or any of their principals, owners, directors or officers (a "Covered Party" or the "Covered Parties")
 - a. State whether there are any past or pending regulatory restrictions, consent orders, debarments, suspensions, stipulations, or litigation to which a Covered Party has ever been a party that would affect its ability to provide the required services or which alleges any unfair, illegal or unethical business practice. If so, provide a detailed description of each.
 - b. State whether any Covered Parties and all proposed Contract employees have ever been convicted of a felony, had adjudication of guilt withheld as to any felony, or plead no contest to any felony. If so, a detailed description of each incident must be included.
 - c. State whether any penalties, fines or liquidated damages have ever been imposed against a Covered Party since January 1, 2011. If so, provide a detailed description of each such incident, including the amount of the penalty, fine or liquidated damages imposed.

- d. State whether any Covered Party has ever been involved in any threatened, pending, settled or adjudicated litigation with any qualified tuition program. If so, a detailed description of each action must be provided.
 - e. State whether a Covered Party has ever been or is currently aware of or has reason to believe it is or will be the subject of an audit or inquiry by the Internal Revenue Service, the Securities Exchange Commission (including FINRA and the MSRB), by a Missouri regulatory or investigative agency or by any other federal or state regulatory or investigative agency in connection with its mutual fund business or a qualified tuition program. If so, provide a detailed description of each.
 - f. State whether a Covered Party has been involved in an enforcement action by or had an audit inquiry from the Securities Exchange Commission or any other governmental (local, state, or federal) regulatory agency, or been named a defendant in litigation where there was an allegation of violation of fiduciary responsibility. If yes, explain in detail.
 - g. Has any Covered Party or any affiliated mutual or commingled fund been subject to any enforcement action or investigation by, or entered into settlements or is party to litigation with, or been subject to any audits or regulatory or investigative inquiries by, the IRS, the SEC, FINRA or a state regulatory or investigative agency in connection with mutual fund, investment management or qualified tuition plan businesses (including market timing, late trading, collusion with third parties, preferential fund family treatment, or a failure to supervise sales professionals) at any time since January 1, 2011?
 - h. Have there been any other investigations, litigation, or regulatory action in relation to the investment advisory and fund businesses of any Covered Party since January 1, 2011?
 - i. Have any Covered Parties been in breach of the privacy of confidential information about 529 participants or beneficiaries? If yes, please explain.
11. Please provide five references from qualified tuition plans for the Bidder and, if applicable, for each entity that will provide services under the Contract and that are otherwise identified in the response to Question 5 above. Please include name, title, phone and e-mail address for each reference. If a Bidder does not have five references from qualified tuition plans, please provide other references and explain why those references are adequate substitutes.
12. Please provide an organizational chart identifying the professionals who will be assigned to the MOST Program, including the principal professional responsible for the overall delivery of services (the "Relationship Manager") as well as each of the professionals responsible for the various services required under this RFP.



13. For each individual identified in the organizational chart required by number 12, please provide a resume specifically including the individual's Section 529 or similar experience. The resumes should also include, where applicable, the licenses held by these individuals to demonstrate the qualifications for the services to be provided.
14. Please identify the legal counsel the Bidder will engage, if any, to assist with Contract matters, disclosure materials, and regulatory compliance reviews.
15. Please identify the Missouri entity the Bidder intends to engage for assistance with Missouri legislative issues that may arise during the course of the Contract, if any.
16. Is the Bidder currently involved in, or planning any major system changes, acquisitions, or conversions? Please explain your plans and include the potential impact to the Treasurer and this Contract.
17. Please explain how the Bidder will differentiate MOST from the other 529 Plans that it administers.

Investment Management

1. If you are registered under the Investment Advisors Act of 1940, please provide a link to your Form ADV. If you are exempt from registration, please provide the basis for your exemption.
2. Is the proposed investment firm, its parent or affiliate, a registered broker/dealer? If yes, does the firm trade in securities with this parent or affiliate? Describe policies in place to prevent any conflict of interest. Describe any negative impact these policies may have on the Bidder's ability to manage assets, and steps the investment firm has taken to mitigate those.
3. Please list all of Bidder's current relationships with 529 plans. If the Bidder has no 529 experience, then please list current relationships with institutional defined contribution plans with assets in excess of \$250 million. As of June 30, 2015, please specify the annual assets under management for the applicable relationship, the investment funds utilized, and the term of the engagement. If applicable, identify if the Section 529 plan is a direct- or advisor-sold plan.
4. Please list any new institutional defined contribution relationships (including Section 529 plans) won or acquired by your firm (or by the investment managers included in your RFP) since January 1, 2011. Please also list institutional defined contribution relationships (including Section 529 plans) terminated or closed since January 1, 2011 and explain why.
5. Please identify and provide the resume of the professional at the proposed investment firm who will be assigned overall responsibility (i.e., the 529 Portfolio Manager) for the MOST Program. How often would this person be available to the Treasurer and Board?
6. Detail the team/personnel involved in the creation of your proposed investment options. Is this a dedicated Section 529 college savings team or is it part of a larger defined contribution

department?

7. Please complete the table provided in **Exhibit C**, showing every investment option proposed for each of the Direct and the Advisor Plans, as applicable to the Bidder's response. The investment options should be divided across age-based, asset allocation and individual mutual fund portfolios, as appropriate. There is no limit on the number of investment options that may be proposed. **Exhibit C** will become **Attachment 4** to the Bidder's response.
8. Please complete the information requested in **Exhibit D** for each underlying mutual fund the Bidder proposes to include in the investment options identified in the response to Question 7 immediately above. **Exhibit D** will become **Attachment 5** to the Bidder's response. For each fund included in **Exhibit D/Attachment 5** and its indicated benchmark, the Bidder should include a disc with an Excel spreadsheet showing the monthly total returns from December 31, 2012 through June 30, 2015 as well as the 5-year and 10-year total returns for the periods from December 31, 2009, and December 31, 2004, respectively, through December 31, 2014. If the Bidder is proposing separately managed or other non-registered underlying investments, then **Exhibit D/Attachment 5** should be completed with similar return information for the investment and for the benchmark against which the performance is measured.

Please also include in **Attachment 6** the most recent prospectus for each Fund. At the Bidder's option, the prospectus for each Fund can be provided electronically on a CD included with each copy of the Bidder's Proposal.

9. Since January 1, 2011, has there been turnover of the investment managers for any of the underlying mutual funds proposed? Describe the investment firm's succession procedures if the investment professionals should leave the firm or change responsibilities within the firm.
10. Please describe the diversification of your proposed investment options and how they fit within the mutual fund style box.
11. Please describe how you designed the asset allocation for any age-based or risk-based investment options that you have proposed and also describe how and when you will rebalance assets in an age-based or risk-based portfolio.
12. Please indicate whether any of the underlying funds (or other investment vehicles) included in the response to Question 8 above have experienced net cash outflows of 20% or more over the two-year period from July 1, 2013 through June 30, 2015. The Bidder should elaborate on why these outflows may have occurred.
13. Please explain how your investment strategy meets the needs of conservative investors. Please identify a guaranteed or conservative option for risk adverse investors and, if applicable, explain the rate-setting process that will be used to set the rate initially and re-set the rate in the future.
14. To enhance marketability of the MOST Program, the Board is interested in offering a diversified group of investment managers. Would the Bidder agree to diversification and, if so, is there a

maximum number or percentage of unaffiliated investment managers the Bidder would propose? If the Bidder does not agree that multiple investment managers are beneficial, please explain how to otherwise enhance the MOST Program's marketability through investment options.

15. Describe your due diligence processes for investment managers, both on a portfolio management and operational risk basis.
16. If the Bidder is proposing to provide investment management services to both the Direct and the Advisor Plans, please indicate how the Bidder will differentiate the proposed investment products in each Plan.
17. Describe in detail what data, information, and advice the Bidder proposes to provide the Treasurer and Board in analyzing and interpreting the investment results of the MOST Program and recommending changes to funds over the course of the Contract.
18. If your selection will result in a conversion of assets from the current Program Manager, please list the investment options to which existing investments will be mapped. See Question 4 under the Transition and Plan Implementation Section and **Exhibit E**.

Marketing

1. Please specify the Bidder's annual marketing commitment to the Direct Plan in Missouri and the Advisor Plan nationwide, as applicable, for each of the five (5) years of the Contract (each a "Contract Year"). Allowable marketing expenditures are limited to the actual costs associated with the acquisition of new accounts and contributions to existing accounts, which would exclude, for example, administrative expenditures (such as general overhead, personnel or other allocated expenses) or maintenance expenses such as costs for program disclosure updates and other administrative communications. Allowable marketing expenditures for the Direct Plan will include literature development, Program promotion, advertising, and other Missouri marketing expenses approved by the Treasurer on behalf of the Board.

Please note that the Bidder will be expected to spend the entirety of each marketing commitment in each Contract Year. If marketing dollars remain unspent at the end of any Contract Year, the Bidder will credit the unspent monies to the applicable Plan at the end of the Contract Year for use in the Plan the following Contract Year.

2. Understanding that choices and low costs are the Program's main goals, describe the Bidder's overall marketing plan for each of the plans for which the bidder is proposing services. Please include in your response how the Bidder will propose to market the MOST Program to differing types of prospective clients, including but not limited to rural vs. urban individuals, differing income levels, and differing account owner types (e.g., young parents, grandparents), etc.
3. How will you educate current and prospective participants about the existence of new and different investment options, if applicable?
4. Describe the resources that the Bidder will provide the MOST Program for purposes of in-State

and/or national marketing. Please be specific in terms of the field support that will be available within Missouri to market the MOST Program to employers, financial professionals and community groups.

5. Explain how the Bidder will measure the success of its marketing efforts and report that to the Treasurer and the Board.
6. Please indicate the Bidder's position on whether marketing materials should be submitted to FINRA when such review is not otherwise required. Please explain how much time this will build into the schedule for approval of marketing materials.
7. Describe other qualified tuition programs for which the Bidder has marketing responsibility. Will the Bidder agree not to market these programs in Missouri?
8. Describe any commitments or restrictions which would limit the Bidder's ability to offer or market the MOST Program in states other than Missouri.
9. Please list the other qualified tuition programs for which the Bidder has selling or distribution agreements. Please indicate the annual sales of those programs by the Bidder's sales force in Missouri.
10. Please indicate what financial and professional support, if any, the Bidder will provide to the Treasurer and the Board to enhance local efforts to provide scholarships and/or grants to moderate and low-income Missouri residents.

In recent years, Missouri has had several local, private organizations establish their own scholarship programs utilizing MOST accounts. Bidders should include in the response the support it will provide to these organizations and future Missouri agencies, organizations and non-profits seeking to establish their own 529 scholarship programs.

11. Please describe the Bidder's approach to utilizing social media for 529 marketing.
12. Please describe the Bidder's approach to utilizing 529 "gifting" platforms and describe any successes that the Bidder has had in this area. Does the Bidder have a program that allows plan participants to use social media to request 529 gifting?
13. Please describe the Bidder's approach to investor education / financial literacy.
14. Please describe the Bidder's marketing analytics and data collection capabilities. What portion of the proposed marketing budget does the Bidder believe should be spent on these items and explain your reasoning.
15. Please describe any other unique capabilities the Bidder can provide to market the MOST Program.
16. Is the Program Manager willing to provide a plan for moving existing Missouri-based account owners in competing 529 Programs managed by the Program Manager to the Direct Plan and Advisor Plan, as applicable?

Distribution

1. Describe the distribution channel(s) the Bidder intends to utilize to sell the MOST Program.
2. If the Bidder relies on third-party distribution, provide the number of internal and external wholesalers, their geographic assignments, and the target distribution channels. Include details on the Bidder's coverage in Missouri. What changes/additions, if any, would the Bidder make if it is selected as Program Manager?
3. If the Bidder relies on third party distribution, list in table form the top ten distributors, gross sales by distributor, and, if available, the percentage of total firm sales. Please also include the approximate number of registered representatives or advisors at each distributor (within Missouri and nationwide).
4. Please describe the Bidder's experience with third-party distribution, including customized account forms, access to account information, commission payment procedures, and general technical support provided.
5. If the Bidder utilizes captive distribution, describe your wholesaling force, the total size of the sales force, the geographic distribution, and the general product mix of the Bidder's clients. Include details on coverage in Missouri. What changes/additions, if any, would the Bidder make if it is selected as Program Manager?
6. What support will be provided to brokers marketing the Advisor Plan?

Account Administration

1. Indicate whether account administration and record keeping will be performed internally by the Bidder or assigned to a subcontractor. Describe the Bidder's or subcontractor's experience in college savings or individual participant account administration and record keeping, including the number of years that service has been provided, the number of accounts for which the Bidder or the subcontractor is currently responsible, the frequency and volume of individual transactions that are processed on a daily or other periodic basis, and the approximate dollar value of such accounts.
2. Describe the Bidder's federal tax compliance procedures for maximum contribution and withdrawal aggregation.
3. Describe the Bidder's or subcontractor's technical environment, including hardware, application and database software, communications equipment, and system security.
4. Describe generally the Bidder's or subcontractor's disaster recovery plan, including backup procedures, alternate operating facilities, hardware and software replacement, and testing (Please do not provide confidential information in response to this question).
5. Describe the Bidder's or subcontractor's account opening processes. Describe the enrollment and payment options available for participants to make initial and subsequent contributions.

Please include minimum amounts for initial and ongoing contributions.

6. Does the Bidder offer enrollment through the workplace? If so, please indicate whether payroll contributions are processed through payroll deduction or clearinghouse transactions, and provide the number of programs, the total number of participants, the total number of accounts by process. Please also indicate whether payroll deduction is available to all workplaces or whether a size threshold applies for such processing. Would the employer pay any costs associated with offering the Program?
7. Has a SSAE 16 or any other performance audit been completed for the Bidder's or subcontractor's operations? If so, please provide a copy in **Attachment 7**. If not, state whether the Bidder is willing to provide a SSAE 16 at its cost within the first year of the Contract.
8. Describe the Bidder's or subcontractor's procedures to ensure confidentiality of participant records, including a detailed description of how the Bidder's or subcontractor's workplace is secured.
9. Describe the Bidder's or the subcontractor's action plan in the event of a breach of confidential participant information, including when and how the Treasurer would be advised of such an issue.
10. Describe the systems, interfaces, and tracking mechanisms that will be utilized for fulfillment requests.
11. How will the Bidder ensure the Treasurer and the Board have access to the files and data stored on its computers or other systems relating to the Program? Describe the Bidder's or assigned subcontractor's ability to retain and retrieve participant documents and correspondence, as well as history of customer contacts and other communications.
12. Describe any on-line information or reporting capabilities the Bidder will make available to the Treasurer or the Board, including format, media, and frequency.
13. Describe the internet tools the Bidder will make available to Direct Plan participants for planning, communications, and account access.
14. Describe what input the Treasurer and the Board will have on the customer service-oriented components of the Bidder's website.
15. Describe the types, frequency and mode of reports or statements to be provided by the Bidder to Plan participants. Please describe whether the participant will have access to account information other than account reports or statements. Provide examples of any participant or beneficiary statements, preferably for a 529 plan, in **Attachment 8** to the proposal.
16. Describe the Bidder's customer service center operations, including location, hours of operation, staff size and experience with qualified tuition programs, training programs, and monitoring of staff for quality service. Describe how the Bidder will handle peak volume periods.



17. What are the Bidder's customer service standards? Please describe any significant changes in customer service quality, processes, training or procedures over the last two years. How does the Bidder plan to measure and report compliance with or deviations from its customer service standards? In what way and with what frequency will the Bidder monitor customer service satisfaction?
18. Describe the systems and processes used to route and track all customer inquiries, customer requests, and items waiting resolution.
19. Describe the problem management and escalation procedures the Bidder will follow in connection with the MOST Program. How and when will complaints be resolved and how will these be reported to the Treasurer?
20. Provide an example of the type of report that would be provided to the Board on a quarterly basis summarizing investment performance, marketing efforts, customer service performance, etc. as **Attachment 9**.
21. If the Bidder is proposing to provide management services for the Direct or the Advisor Plan only, what steps will it take to comply with the aggregation requirements of Section 529?
22. Provide a list or description of the services the Bidder will make available on the self-servicing section of the MOST Program website.
23. How do you protect personal identifying data and participant financial information obtained via on-line applications?
24. Does the Bidder have the capability to utilize omnibus account administration for large scholarship or Child Development Account (CDA) programs? Please explain.

Transition and Plan Implementation

1. Describe the procedures and processes necessary to implement the MOST Program, noting particularly any transition issues. Include an Implementation Plan as **Attachment 10** showing the specific steps, milestones and responsibilities from Contract award to launch of the Program. The Bidder must include in this Plan tasks required for the establishment and maintenance of accounts, as well as all aspects of customer service to existing and prospective MOST Program account owners.
2. Describe the Bidder's experience since January 1, 2011, if any, with 529 plan conversions. For each, please include (1) the name of the plan, (2) the date of the conversion, (3) whether the plan was converted to or from your organization; (3) the amount of time between the selection of the new Program Manager and the conversion, (4) whether the conversion experienced any delay beyond what was originally planned and the reasons therefore, (5) the amount of assets and accounts eligible for conversion, (6) the amount of assets and accounts actually converted, and (7) the amount of assets and accounts raised since the conversion through June 30, 2015. If the Bidder does not have conversion experience with a 529 plan, then please provide relevant experience with other defined contribution plans since January 1, 2011.

3. Please indicate the Bidder's ability to complete a conversion on or before June 5, 2016, assuming the winning Bidder was chosen by mid-November, 2015. What could delay a conversion in this timeframe?
4. Using the charts provided in **Exhibit E**, please provide investment conversion information showing comparable investment options and asset mapping for all investments proposed in your Bid. This will become **Attachment 11** to your proposal.
5. What informational materials would the Bidder provide to existing MOST Program account owners or advisors during the transition to explain the impending changes?
6. Please describe the procedures you will follow to ensure that current assets are continually invested to ensure a smooth transfer of assets without any losses to MOST Program participants.
7. What dedicated resources (personnel, equipment, training, etc.), procedures and controls will the Bidder provide or recommend in the conversion period to ensure a successful and timely conversion? What customer service will the Bidder provide during the transition (e.g., a toll-free telephone number, etc.)?
8. Describe the Treasurer's responsibilities and the resources required during this transition process.

Cost Proposal

1. Please complete the following Program Management Fee and Total Investment Option Fee charts showing the proposed fee structure for each investment option included in the **Direct Plan**. Please note that fees will remain in effect for the duration of the Contract (unless decreased pursuant to your response to Question 2, below).

Investment Option (Bidder to specify)	Components of Program Management Fee				Total Program Management Fee
	Administrative Costs	Investment Management	Marketing	Customer Service	
Age-Based					
Asset Allocation					
Individual Mutual Fund					

Investment Option (Bidder to specify)	Underlying Fund Expenses ¹	Program Management Fee ²	Other Fees (specify)	Total Investment Option Fees
Age-Based (provide each age-band)				
Asset Allocation				

Individual Mutual Fund				
-------------------------------	--	--	--	--

¹ Provide weighted average expenses for each age-band within Age-Based Options and for each Asset Allocation Option.
² This column should match the "Total Program Management Fee" shown in the table immediately above.

- Will any of the fees included in the response to Question 1 decrease as assets increase or upon some other factors? If so, identify which fees, the levels at which decreases occur or the factors which would cause decreases, and by how much.
- Please complete the following charts showing the annual asset-based fees for all proposed investment options included in the **Advisor Plan**.

Investment Option (Bidder to specify)	Components of Program Management Fee				Total Program Management Fee
	Administrative Costs	Investment Management	Marketing	Customer Service	
Age-Based					
Asset Allocation					
Individual Mutual Fund					

Share Class (Bidder to specify)	Underlying Fund Expenses ¹	Program Manager Fee ²	Annual Trail	Other Fees (if applicable)	Total Annual Fees
A					
C					
Fee-Based Advisors					
Other (specify)					

¹ Provide Underlying Fund Expenses for all proposed investment options; weighted average expenses should be included for the Age-Based and Asset Allocation Options

² This should match the Total Program Management Fees shown in the chart immediately above.

- Will any of the fees included in the response to Question 3 decrease as assets increase or upon some other factors? If so, identify which fees, the levels at which decreases occur or the factors which would cause decreases, and by how much.
- Please include in the following chart the Upfront Loads and or the Contingent Deferred Sales Charges ("CDSC") that apply to the Share Classes included in the response to Question 3 above. Please indicate the levels at which breakpoints apply to the Upfront Loads as well as the annual changes in CDSCs, if applicable.

Share Class (Bidder to specify)	Upfront Load (%)	CDSC (%)
A		
C		
Fee-Based Advisors		
Other (specify)		

6. Please provide a table showing the selling commission and on-going fees (trail) to be paid for sales in the Advisor Plan.
7. The Bidder must identify any additional charges that may arise in connection with the Direct or the Advisor Plan, as applicable. This should include *any* fee that could be paid by a Plan participant, including but not limited to, annual account fees, returned check fees, check reissue fees, delivery fees, etc. Note that any fees or expenses not identified in the Bidder's response will likely not be considered during Contract negotiations and cannot be charged in the future.
8. Please describe any revenue streams (revenues paid to or received from) between any entities included in the Program Management team related to your proposed Program. For purposes of this question, Program Management team includes, but is not limited to, investment managers, fund managers, distribution agents, etc.
9. If the Bidder is proposing to provide services in connection with both the Direct and the Advisor Plans, will the Bidder agree to provide services for just one Plan if requested by the Board? If so, would the Bidder be willing to provide services for either the Direct Plan or the Advisor Plan or is there a preference for one Plan over the other? And, if the Bidder were selected to provide services for just one Plan, how would the proposed fees included in Questions 1 and 3, as applicable, change, if at all?

Other Information:

1. Has the Bidder committed or contracted to administer one or more ABLÉ programs?
 - a. If yes, please list the state or the states for which the Bidder will provide this service.
 - b. If no, does the Bidder plan on seeking to perform the administration of ABLÉ Programs in the future?
2. If the Bidder does or is planning to seek to administer ABLÉ programs, has the Bidder determined whether it would consider performing ABLÉ administration services for a "single-state" ABLÉ plan?

IX. GENERAL INFORMATION AND CONTRACT PROVISIONS

Reservation of Rights

1. The Board reserves the right, in its sole discretion, to accept or reject any proposals, in whole or part, received in response to this RFP, to waive or permit the cure of minor irregularities, and to conduct discussions or negotiations with any or all qualified Bidders in any manner necessary to serve the best interests of the State of Missouri. The Board also reserves the right, in its sole discretion, to award a Contract based on the written proposals received without prior discussions or negotiations.
2. In the event that only one (1) proposal is received in response to this RFP, the Board reserves the right to cancel the RFP process or to negotiate the terms and conditions, including the price, as proposed in the sole Bidder's proposal. In addition, as part of such negotiations, the Board or Treasurer reserves the right to require supporting cost, pricing and other data from the Bidder in order to determine the reasonableness and acceptability of the proposal.
3. The Contract between the Board and the successful Bidder shall consist of this RFP, including any amendments, written responses to questions, and the Bidder's proposal, including any clarifications or modifications. In the event of an inconsistency between the Contract, this RFP or the Bidder's proposal, the order in which the provisions of these documents shall prevail will be the Contract, this RFP (as amended and clarified by written questions), and the Bidder's proposal. These documents shall collectively be referred to as the "Contract." In the event of a conflict between the RFP and the Bidder's proposal above, the provisions and requirements set forth and/or referenced in this RFP shall govern. However, the Treasurer reserves the right to clarify any contractual relationship in writing with the concurrence of the Program Manager, and such clarification shall govern in case of conflict with the applicable requirements stated in the RFP or successful Bidder's response. In all other matters not affected by the written clarification, if any, this RFP shall govern.
4. The Treasurer reserves the right to negotiate with the Program Manager for changes in services or additional service items, subject to mutual agreement. Any such amendments shall be agreed upon in writing as described immediately below.

Any change in the Contract must be accomplished by a formal written Amendment signed and approved by and between the duly authorized representatives of the Program Manager and the Treasurer. Any amendment to the Contract shall (a) specify an effective date; (b) specify any increases or decreases in the amount of the Program Manager's compensation, if applicable; (c) describe changes, if any, to the provisions of the Contract; (d) be entitled as an "Amendment"; and (e) be signed by the parties identified in the preceding sentence. The Program Manager expressly and explicitly understands and agrees that no other method and/or no other document, including correspondence, acts, and oral communications by or from any person, shall be used or construed as an amendment to the Contract.

5. It is understood that in certain situations the Program Manager may utilize the services of a related

entity in performing certain services required under the Contract. In all such situations, the Program Manager retains sole, direct and primary responsibility for securing the required contractual performance from such related entity as well as sole, direct and primary responsibility for assuring that all contractual provisions, including all applicable legal, financial and eligibility requirements are continuously met by such related entity. All rights and remedies vested in the Treasurer and Board by this Contract apply with equal force and effect to the Program Manager's related entity. Conversely, all rights and remedies vested in the Program Manager by this contract rest solely with the Program Manager and not the related entity. The Program Manager agrees to indemnify, save and hold the Treasurer, the Board, and the State of Missouri harmless from any expense, liability or payment arising out of the actions of a related entity pursuant to the Contract or made by a related entity as a result of the Contract.

In the event that the Program Manager subcontracts any of the services required under the RFP, such subcontracting relationships must have prior approval of the Treasurer. In addition, the Program Manager must ensure that any subcontracts include appropriate provisions and contractual obligations to guarantee the successful fulfillment of all contractual obligations agreed to by the Program Manager. In all such situations, the Program Manager retains sole, direct and primary responsibility for securing the required contractual provisions, including all applicable legal, financial and eligibility requirements are continuously met by such subcontractor. All rights and remedies vested in the Board by the Contract apply with equal force and effect to the Program Manager's subcontractor. Conversely, all rights and remedies vested in the Program Manager by the Contract rest solely with the Program Manager and not the subcontractor. The Program Manager agrees to indemnify, save and hold the Board, the Treasurer and the State of Missouri harmless from any expense, liability or payment arising out of the actions of a subcontractor pursuant to the Contract/subcontract or made by a subcontractor as a result of the Contract/subcontract.

6. Except where specifically noted, the Board anticipates entering into a Contract which will run through June 5, 2021. Contract amendments may provide for extension beyond the stated Contract period, subject to mutual agreement.
7. If, in the sole discretion of the Board or Treasurer, the Board or Treasurer concludes the Program Manager has materially defaulted in any manner in performing any of the Contractual terms and conditions, and such default is not cured by the next Banking Day or, at the discretion of the Board or the Treasurer, in some other commercially reasonable period of time after notice of such default is given to the Program Manager, the Board or Treasurer may immediately terminate the Contract.
8. The Board or Treasurer may cancel the Contract, in whole or in part, at any time for a material breach of any Contract obligation. Should the Board or Treasurer exercise its right to cancel the Contract for such a reason, the cancellation shall become effective on the date specified in a written notice of cancellation sent to Program Manager.
9. The Board or Treasurer reserves the right to terminate the Contract, in whole or in part, at any time, for the convenience of the State of Missouri, without penalty or recourse, by giving written notice to the Program Manager at least 120 days prior to the effective date of such termination. In the event

of termination pursuant to this paragraph, all documents, data, reports, supplies, and accomplishments prepared, furnished or completed by the Manager pursuant to the terms of the Contract shall, at the option of the Board or Treasurer, become property of the Board. The Program Manager shall be entitled to receive just and equitable compensation for the work completed pursuant to the Contract prior to the effective date of termination.

10. The Program Manager further agrees and understands that any payment due under the terms of the Contract shall be made only (a) after the successful completion of all requirements set forth in the Contract; and (b) after approval and acceptance of the Program Manager's performance, services and/or supplies required by the terms of the Contract. No provision in this RFP or in the Program Manager's proposal shall be construed, expressly or impliedly, as a waiver by the Board or Treasurer of any existing or future right and/or remedy available by law in the event of any claim of default or breach of Contract.
11. Any written notice to the Program Manager shall be deemed sufficient when presented to an authorized employee of the Manager at its address as listed on the signature page of the Contract, or deposited in the United States mail, postage prepaid, and addressed to the Program Manager at its address as listed on the signature page of the Contract, or at such address as the Program Manager may have requested in writing.

Liability and Responsibility

1. The Program Manager shall be liable to the Board or Treasurer for any loss of funds as a result of the Program Manager's failure to properly execute a Contract obligation when such error is within the Program Manager's control. This includes system and/or processing downtime that is not restored in a timely manner.
2. The Program Manager shall agree that it will hold the Board or Treasurer harmless from any third-party claims for damage resulting from any negligent act or omission or willful misconduct on the part of the Program Manager or on the part of any subcontractor, related entity or other person employed by or under the supervision of the Program Manager.
3. The Program Manager shall be deemed to have exercised ordinary care if it has followed established procedures agreed to by contract in executing a transfer. The Program Manager agrees it shall be deemed not to have exercised ordinary care if it has deviated from these procedures without prior written authorization from the Board or Treasurer.

Records, Access, and Confidentiality

1. The Program Manager shall maintain financial and accounting records and supporting evidence pertaining to the Contract in accordance with generally accepted accounting principles and other reasonable procedures specified by the Board.
2. All such reports, records, tapes, files or other materials developed or acquired by the Program Manager as a specified requirement of the Contract shall become property of the Board.
3. The Program Manager shall permit reasonable access by the Board or Treasurer during the Contract

period and any extension periods, and for an eighteen (18) month period beyond the end of the Contract, for purposes of performing audit procedures relating to any aspect of the services provided by the Program Manager to the Board or Treasurer in connection with the Contract.

4. Any and all information supporting the Contract and any and all tapes, files and data files maintained by the Program Manager for such purpose shall be provided to the Board or Treasurer, or a designated Board or Treasurer representative, at no cost to the Board or Treasurer or designated representative, upon request by the Board or Treasurer, at the end of the Contract.
5. In addition to the reports specifically required by the Contract, the Program Manager must provide, for an agreed price, additional financial and analytical reports as the Board or Treasurer may reasonably request.
6. The Board or Treasurer reserves the right to reject or request changes in all reports, systems, on-line inquiry features, and all other procedures and the Program Manager agrees to make best efforts to incorporate those requests in a timely manner.
7. If the Board requests a service be performed on a specific day, and that day is not a Banking Day, the Program Manager must provide the service on the next Banking Day, unless otherwise indicated by the Board or by mutual agreement between the Program Manager and the Board.
8. The Program Manager shall maintain complete confidentiality of all data and all records, including, but not limited to, any tax report or return or information regarding any personally identifiable information of any person, relating to services performed under the Contract in accordance with state and federal laws, rules and regulations. No list, report or other materials generated from data covered under the Contract may be disclosed or transferred by Program Manager to any other person or entity other than employees, agents and approved subcontractors. In addition, the Program Manager may disclose to an account owner any information related to his or her account(s).

The Program Manager shall take any and all steps necessary to ensure that its employees, subcontractors and/or any other persons under its control with access to such information (1) are aware of and abide by such applicable laws, rules and regulations regarding the confidentiality of such information and (2) are aware of any potential for criminal prosecution for failing to abide by such laws, rules and regulations. Program Manager agrees to indemnify and hold harmless the Board and the Treasurer for any damages, costs, fees or other liability (including attorneys' fees) arising as a result of the Program Manager's failure to comply with the applicable laws, rules and regulations regarding the confidentiality of the data and records provided to the Program Manager under the Contract.

The Program Manager must comply with Missouri Revised Statute Section 407.1500, as applicable, regarding notices to consumers of a breach of personal information.

Compliance with Applicable Laws

1. The Contract shall be construed according to the laws of the State of Missouri.

2. The Program Manager shall comply with all applicable local, state and federal laws and regulations related to the performance of the Contract, to the extent that the same may be applicable, and must be registered with and maintain good standing with the Missouri Secretary of State and Department of Economic Development, Division of Finance, and/or any other Missouri State office or agency, as may be required by law or regulation.
3. The Program Manager represents itself to be an independent Program Manager offering such services to the general public and shall not represent itself or its employees to be an employee of the State of Missouri. The Program Manager shall assume all legal and financial responsibility for taxes, FICA, employee fringe benefits, workers compensation, employee insurance, minimum wage requirements, overtime, etc., and agrees to indemnify, save, and hold the State of Missouri, its officers, agents, and employees harmless from and against, any and all loss, cost (including attorney fees), and damage of any kind related to such matters.
4. In connection with the furnishing of supplies or performance of work under the Contract, the Program Manager agrees to comply with the Fair Labor Standard Act, Davis Bacon Prevailing Wage, Fair Employment Practices, Equal Employment Opportunity Act, the Americans With Disabilities Act (ADA), and all other applicable federal and state laws, regulations, and executive orders to the extent that the same may be applicable and further agrees to insert the foregoing provision in all subcontracts awarded hereunder. If the Program Manager is found to be in violation of any applicable federal, state or local law or regulation, the Board shall have the right to cancel the Contract without penalty or recourse. In addition, the Program Manager shall agree to fully cooperate with any audit or investigation from any federal, state or local law enforcement agency.
5. Contractors with the State of Missouri must comply with Article XIII of Executive Order #87-6 pertaining to discrimination and affirmative action. (The Executive Order may be viewed at http://www.sos.mo.gov/library/reference/orders/1987/eo1987_006.asp). Failure to comply may result in appropriate action including cancellation of the contract resulting from this RFP.
6. Contractors with the State of Missouri must comply with Executive Order #04-09 pertaining to outsourcing of employment. (The executive order may be viewed at www.sos.mo.gov/library/reference/orders/2004/eo04_009.asp) Failure to comply may result in appropriate action including cancellation of the Contract resulting from this RFP.
7. The Board will not contract for goods or services with a Program Manager if it or an affiliate of the Program Manager fails to properly pay or to collect and remit taxes owed to the State of Missouri. The Program Manager's failure, or the failure of any affiliate to the Program Manager, to maintain good standing with the State of Missouri Department of Revenue may result in appropriate action including cancellation of the Contract resulting from this RFP.
8. The Bidder understands and acknowledges that upon execution of the Contract or rejection of all proposals, all information submitted in response to this Request for Proposal is considered an open record under Missouri law and will be made available in response to all public information requests.
9. Pursuant to section 285.530, RSMo, if the Program Manager meets the definition of a "business



entity” (<http://www.moga.mo.gov/statutes/c200-299/2850000525.HTM>) as defined in section 285.525 RSMo, the Program Manager must affirm its enrollment and participation in the E-Verify federal work authorization program with respect to employees hired after enrollment in the program who are to work in connection with the services requested herein. The Bidder should complete the applicable portions of **Exhibit F** Business Entity Certification, Enrollment Documentation, and Affidavit of Work Authorization. The applicable portions of **Exhibit F** must be submitted prior to an award of a contract. In accordance with subsection 2 of section 285.530 RSMo, the Program Manager should renew its Affidavit of Work Authorization annually. A valid affidavit of Work Authorization is necessary to award any new contracts.

If the Program Manager’s business status changes during the life of the Contract to become a business entity as defined in section 285.525 RSMo, pertaining to section 285.530 RSMo, then the Program Manager shall, prior to the performance of any services as a business entity under the Contract: (a) enroll and participate in the E-Verify federal work authorization program with connection with the services required herein; and (b) Provide to the Board the documentation required in **Exhibit F** entitled Business Entity Certification, Enrollment Documentation, and Affidavit of Work Authorization affirming its enrollment and participation in the E-Verify federal work authorization program; and (c) Submit to the Board a completed, notarized Affidavit of Work Authorization as provided in **Exhibit F**.

10. The Bidder understands that under Missouri’s Uniform Disposition of the Unclaimed Property Act, all property held by the Program Manager will be presumed abandoned if the account is inactive for five years. All abandoned property is then placed in Missouri’s Abandoned Fund Account and held in perpetuity until the original owner or the appropriate heir submits a claim for the abandoned funds.

Assumption of Liability, Insurance, and Indemnification

1. The Program Manager shall be responsible for any and all claims, actions, liability, injury or damage (including court costs and attorneys’ fees) incurred as a result of the Program Manager’s breach of the Contract, negligence or willful misconduct in providing any services rendered under the terms and conditions, requirements or specifications of the Contract. In addition to the liability imposed upon the Program Manager for personal injury, bodily injury (including death) or property damage suffered as a result of the Program Manager performance under the Contract, the Program Manager assumes the obligation to save the State of Missouri, including its agencies, employees, and assigns, from every expense, liability or payment arising out of such negligent act or any willful misconduct of the Program Manager. The Program Manager also agrees to hold the State of Missouri, including its agencies, employees, and assigns, harmless for any negligent act or omission or willful misconduct committed by any subcontractor, related entity or other person employed by or under the supervision of the Program Manager under the terms of the Contract. The Program Manager shall not be responsible for any injury or damage occurring solely as a result of any negligent act or omission or willful misconduct of the Board or the Treasurer. This provision is not intended to waive any claim of sovereign immunity to which a public entity is entitled under Missouri or federal law.

2. The Program Manager shall understand and agree that the State cannot save and hold harmless and/or indemnify the Program Manager from any liability incurred or arising as a result of any activity of the Program Manager, or its related entities, subcontractors or employees related to the performance of the Contract. Therefore, the Program Manager shall maintain adequate liability insurance to protect the State of Missouri, its agencies, its employees, its assigns, its clients, and the general public against any loss, damage, and/or expense related to its performance under the Contract. The insurance coverage shall include, but shall not necessarily be limited to, general liability, errors and omissions, professional liability, etc. Written evidence of the insurance coverage shall be provided by the Program Manager to the Board. The evidence of insurance shall include, but shall not necessarily be limited to: effective dates of coverage; limits of liability; insurers' names; policy numbers; endorsement by representatives of the insurance company; etc. Evidence of self-insurance coverage or of another alternate risk financing mechanism may be utilized, provided that such coverage is verifiable and irrevocably reliable. The evidence of insurance coverage must be submitted before or upon award of the Contract. In the event the insurance coverage is materially changed, the Board shall be notified immediately.

Associated Costs

1. The Board will not reimburse any Bidder responding to this RFP for costs incurred in preparing documentation, making presentations, or any other costs incurred as a result of this RFP.
2. Any equipment installation, software or data file conversions, or any other costs associated with start-up and implementation shall be the responsibility of the Program Manager.

Replacement Equipment & Training

1. If requested by the Treasurer, the Program Manager shall upgrade any software provided under the Contract. In addition, the Program Manager shall provide the training and user manuals necessary to effectuate the replacement or conversion of software.
2. As requested by the Treasurer, the Program Manager shall provide periodic training or retraining of the Treasurer's staff, or, when appropriate, personnel of other state agencies, in the use and operation of the equipment, software, or systems provided under the Contract at no cost to the Board or Treasurer.
3. In the event of a disaster that causes the Program Manager's systems or any of its components to be rendered inoperative, the Program Manager must have the capability to reconstruct necessary data files and operate critical systems on replacement equipment within one (1) business day and operate non-critical systems on replacement equipment within three (3) business days.

Substitution of Personnel

The Board's agreement to the Contract is predicated, in part and among other considerations, on the utilization of the specific individual(s) and/or personnel qualification(s) as identified and/or described in the Program Manager's proposal. Therefore, the Program Manager agrees that no substitution of such specific individuals shall be made without the prior written notification to and approval by the Treasurer. The Program Manager further agrees that any substitution made pursuant to this paragraph



must be equal or better than originally proposed and that the notification of a substitution shall not be construed as an acceptance by the Treasurer of the substitution's performance potential. The Board reserves the right to reject any substitutions of individuals or personnel qualifications if they are not equal to or better than originally proposed.

Review of Services

The Treasurer will conduct quarterly service reviews with the Program Manager. Such reviews will include a review of the quality of services and discussion of any specific concerns of the Treasurer or the Program Manager, and will be documented in a mutually agreed upon format.

Assignment

The Program Manager shall not assign any interest in the Contract nor transfer any interest, whatsoever, in the same (whether by assignment or notation) without prior written consent of the Board.

Conflict of Interest

The Program Manager covenants that it presently has no interest and shall not acquire any interest, directly or indirectly, which would conflict in any manner or degree with the performance of the services hereunder. The Program Manager further covenants that no person having any such known interest shall be employed by the Program Manager or conveyed an interest, directly or indirectly, in the Contract.

Jurisdiction

Each party irrevocably and unconditionally (i) submits to the exclusive jurisdiction of any United States Federal or Missouri State court sitting in Cole County, Missouri, and any appellate court from any such court, solely for the purpose of any suit, action or proceeding brought to enforce its obligations under the Contract or relating in any way to the Contract or any Transaction under the Contract; and (ii) waives, to the fullest extent it may effectively do so, any defense of an inconvenient forum to the maintenance of such action or proceeding in any such court and any right of jurisdiction on account of its place of residence or domicile.

Estimated Volumes

Any statistics or estimates of workload provided in this RFP are for informational purposes only and do not imply that they accurately represent expected future activity.

X. COMPENSATION

Method of Compensation

1. The Program Manager will be compensated for its services under the Contract solely through fees collected from account owners, consistent with the responses included under Cost Proposal in SECTION VIII of this RFP.
2. The Program Manager will not be entitled to additional compensation for the costs of preparing its proposal or the costs of transition and implementation.

Pricing

1. The Bidder must complete the Questions included under Cost Proposal in SECTION VIII of this RFP. Any pricing involved in providing required services must be reflected in the responses thereunder. Any costs not specified in the Bidder's proposal will not be considered.
2. Any cost and/or pricing data submitted or related to the Bidder's proposal shall be subject to evaluation by the Treasurer.

Price Adjustments

1. All prices included in the proposal are effective for the entire term of the Contract, unless otherwise specified.



XI. EXHIBITS

- A. Fund Lineups and Assets as of June 30, 2015 (Direct and Advisor)
- B. Required Attachment Checklist (To be used by Bidders for Submission of Proposal)
- C. Proposed Investment Options
- D. Underlying Fund Information
- E. Investment Conversion / Mapping Charts
- F. Business Certification and E-Verify Participation (to be completed by Program Manager in connection with execution of Contract)

EXHIBIT A
Fund Lineups and Assets as of June 30, 2015 (Direct and Advisor)

Missouri MOST Direct Plan						
Option	Portfolio	Underlying Fund(s)	Ticker	Allocation (%)	June 30, 2015	
					Market Value (\$)	Total Market Value (\$)
Age-Based	Aggressive Age-Based (0-5)	Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	VITPX	70%	\$39,173,018.05	\$364,646,651.28
		Vanguard Total International Stock Index Fund Institutional Plus Shares	VTPSX	30%	\$16,788,436.31	
	Aggressive Age-Based (6-10)	Vanguard Total Bond Market II Index Fund Institutional Shares	VTBNX	16%	\$19,364,888.73	
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	VITPX	56%	\$67,777,110.54	
		Vanguard Total International Stock Index Fund Institutional Plus Shares	VTPSX	24%	\$29,047,333.09	
		Vanguard Total International Bond Index Fund Institutional Shares	VTIFX	4%	\$4,841,222.18	
	Aggressive Age-Based (11-15)	Vanguard Total Bond Market II Index Fund Institutional Shares	VTBNX	32%	\$35,554,832.91	
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	VITPX	42%	\$46,665,718.20	
		Vanguard Total International Stock Index Fund Institutional Plus Shares	VTPSX	18%	\$19,999,593.51	
		Vanguard Total International Bond Index Fund Institutional Shares	VTIFX	8%	\$8,888,708.23	
	Aggressive Age-Based (16-18)	Vanguard Total Bond Market II Index Fund Institutional Shares	VTBNX	48%	\$24,919,895.87	
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	VITPX	28%	\$14,536,605.92	
		Vanguard Total International Stock Index Fund Institutional Plus Shares	VTPSX	12%	\$6,229,973.97	
		Vanguard Total International Bond Index Fund Institutional Shares	VTIFX	12%	\$6,229,973.97	
	Aggressive Age-Based (19+)	Vanguard Total Bond Market II Index Fund Institutional Shares	VTBNX	64%	\$15,762,777.47	
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	VITPX	14%	\$3,448,107.57	
		Vanguard Total International Stock Index Fund Institutional Plus Shares	VTPSX	6%	\$1,477,760.39	
		Vanguard Total International Bond Index Fund Institutional Shares	VTIFX	16%	\$3,940,694.37	
	Moderate Age-Based (0-5)	Vanguard Total Bond Market II Index Fund Institutional Shares	VTBNX	16%	\$7,897,171.90	
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	VITPX	56%	\$27,640,101.64	
		Vanguard Total International Stock Index Fund Institutional Plus Shares	VTPSX	24%	\$11,845,757.85	
		Vanguard Total International Bond Index Fund Institutional Shares	VTIFX	4%	\$1,974,292.97	
	Moderate Age-Based (6-10)	Vanguard Total Bond Market II Index Fund Institutional Shares	VTBNX	32%	\$46,059,476.90	
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	VITPX	42%	\$60,453,063.43	
Vanguard Total International Stock Index		VTPSX	18%	\$25,908,455.75		



CLINT ZWEIFEL
MISSOURI STATE TREASURER

Missouri MOST Direct Plan						
Option	Portfolio	Underlying Fund(s)	Ticker	Allocation (%)	June 30, 2015	
					Market Value (\$)	Total Market Value (\$)
		Fund Institutional Plus Shares				\$906,885,213.24
		Vanguard Total International Bond Index Fund Institutional Shares	VTIFX	8%	\$11,514,869.22	
	Moderate Age-Based (11-15)	Vanguard Total Bond Market II Index Fund Institutional Shares	VTBNX	48%	\$173,101,937.05	
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	VITPX	28%	\$100,976,129.95	
		Vanguard Total International Stock Index Fund Institutional Plus Shares	VTPSX	12%	\$43,275,484.26	
		Vanguard Total International Bond Index Fund Institutional Shares	VTIFX	12%	\$43,275,484.26	
	Moderate Age-Based (16-18)	Vanguard Total Bond Market II Index Fund Institutional Shares	VTBNX	64%	\$134,485,656.22	
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	VITPX	14%	\$29,418,737.30	
		Vanguard Total International Stock Index Fund Institutional Plus Shares	VTPSX	6%	\$12,608,030.27	
		Vanguard Total International Bond Index Fund Institutional Shares	VTIFX	16%	\$33,621,414.06	
	Moderate Age-Based (19+)	Vanguard Short-Term Inflation-Protected Securities Index Fund Institutional Shares	VTSPX	18%	\$25,709,247.04	
		Missouri Short-Term Reserves Account	N/A	25%	\$35,707,287.55	
		Vanguard Total Bond Market II Index Fund Institutional Shares	VTBNX	42%	\$59,988,243.09	
		Vanguard Total International Bond Index Fund Institutional Shares	VTIFX	15%	\$21,424,372.53	
	Conservative Age-Based (0-5)	Vanguard Total Bond Market II Index Fund Institutional Shares	VTBNX	32%	\$1,950,252.96	
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	VITPX	42%	\$2,559,707.01	
		Vanguard Total International Stock Index Fund Institutional Plus Shares	VTPSX	18%	\$1,097,017.29	
		Vanguard Total International Bond Index Fund Institutional Shares	VTIFX	8%	\$487,563.24	
	Conservative Age-Based (6-10)	Vanguard Total Bond Market II Index Fund Institutional Shares	VTBNX	48%	\$6,340,200.42	
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	VITPX	28%	\$3,698,450.25	
Vanguard Total International Stock Index Fund Institutional Plus Shares		VTPSX	12%	\$1,585,050.11		
Vanguard Total International Bond Index Fund Institutional Shares		VTIFX	12%	\$1,585,050.11		
Conservative Age-Based (11-15)	Vanguard Total Bond Market II Index Fund Institutional Shares	VTBNX	64%	\$9,373,529.48		
	Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	VITPX	14%	\$2,050,459.57		
	Vanguard Total International Stock Index Fund Institutional Plus Shares	VTPSX	6%	\$878,768.39		
	Vanguard Total International Bond Index Fund Institutional Shares	VTIFX	16%	\$2,343,382.37		

Missouri MOST Direct Plan						
Option	Portfolio	Underlying Fund(s)	Ticker	Allocation (%)	June 30, 2015	
					Market Value (\$)	Total Market Value (\$)
Option	Conservative Age-Based (16-18)	Vanguard Short-Term Inflation-Protected Securities Index Fund Institutional Shares	VTSPX	18%	\$3,149,990.02	\$70,160,529.59
		Vanguard Short-Term Reserves Account	N/A	25%	\$4,374,986.14	
		Vanguard Total Bond Market II Index Fund Institutional Shares	VTBNX	42%	\$7,349,976.71	
		Vanguard Total International Bond Index Fund Institutional Shares	VTIFX	15%	\$2,624,991.68	
	Conservative Age-Based (19+)	Vanguard Short-Term Reserves Account	N/A	100%	\$18,711,153.84	
Static	Vanguard Aggressive Growth Portfolio	Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	VITPX	70%	\$291,767,809.00	\$416,811,155.71
		Vanguard Total International Stock Index Fund Institutional Plus Shares	VTPSX	30%	\$125,043,346.71	
	Vanguard Growth Portfolio	Vanguard Total Bond Market II Index Fund Institutional Shares	VTBNX	16%	\$13,484,912.53	\$84,280,703.29
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	VITPX	56%	\$47,197,193.84	
		Vanguard Total International Stock Index Fund Institutional Plus Shares	VTPSX	24%	\$20,227,368.79	
		Vanguard Total International Bond Index Fund Institutional Shares	VTIFX	4%	\$3,371,228.13	
	Vanguard Moderate Growth Portfolio	Vanguard Total Bond Market II Index Fund Institutional Shares	VTBNX	32%	\$19,489,472.45	\$60,904,601.42
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	VITPX	42%	\$25,579,932.60	
		Vanguard Total International Stock Index Fund Institutional Plus Shares	VTPSX	18%	\$10,962,828.26	
		Vanguard Total International Bond Index Fund Institutional Shares	VTIFX	8%	\$4,872,368.11	
	Vanguard Conservative Growth Portfolio	Vanguard Total Bond Market II Index Fund Institutional Shares	VTBNX	48%	\$17,173,474.64	\$35,778,072.17
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	VITPX	28%	\$10,017,860.21	
		Vanguard Total International Stock Index Fund Institutional Plus Shares	VTPSX	12%	\$4,293,368.66	
		Vanguard Total International Bond Index Fund Institutional Shares	VTIFX	12%	\$4,293,368.66	
	Vanguard Income Portfolio	Vanguard Total Bond Market II Index Fund Institutional Shares	VTBNX	64%	\$17,372,214.26	\$27,144,084.78
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	VITPX	14%	\$3,800,171.87	
		Vanguard Total International Stock Index Fund Institutional Plus Shares	VTPSX	6%	\$1,628,645.09	
		Vanguard Total International Bond Index Fund Institutional Shares	VTIFX	16%	\$4,343,053.56	
	Vanguard Conservative Income Portfolio	Vanguard Short-Term Inflation-Protected Securities Index Fund Institutional Shares	VTSPX	18%	\$7,541,852.38	\$41,899,179.91
		Vanguard Short-Term Reserves Account	N/A	25%	\$10,474,794.98	
Vanguard Total Bond Market II Index Fund Institutional Shares		VTBNX	42%	\$17,597,655.56		



Missouri MOST Direct Plan						
Option	Portfolio	Underlying Fund(s)	Ticker	Allocation (%)	June 30, 2015	
					Market Value (\$)	Total Market Value (\$)
		Vanguard Total International Bond Index Fund Institutional Shares	VTIFX	15%	\$6,284,876.99	
Individual	Vanguard Morgan Growth Portfolio	Vanguard Morgan Growth Fund Admiral Shares	VMRAX	100%	\$32,677,964.50	\$32,677,964.50
	Vanguard Windsor II Portfolio	Vanguard Windsor II Fund Admiral Shares	VWNAX	100%	\$32,542,677.02	\$32,542,677.02
	Vanguard International Growth Portfolio	Vanguard International Growth Fund Admiral Shares	VWILX	100%	\$30,071,543.67	\$30,071,543.67
	Vanguard Total Stock Market Index Portfolio	Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	VITPX	100%	\$58,198,549.90	\$58,198,549.90
	Vanguard Interest Accumulation Portfolio	Vanguard Short-Term Reserves Account	N/A	100%	\$124,349,214.18	\$124,349,214.18
	Vanguard Explorer Portfolio	Vanguard Explorer Fund Admiral Shares	VEVRX	100%	\$17,303,726.34	\$17,303,726.34
	Vanguard Total Bond Market Index Portfolio	Vanguard Total Bond Market Index Fund Institutional Shares	VBTIX	100%	\$7,691,773.58	\$7,691,773.58
	Vanguard Total International Bond Index Portfolio	Vanguard Total International Bond Index Fund Institutional Shares	VTIFX	100%	\$950,324.47	\$950,324.47
	Vanguard Total International Stock Index Portfolio	Vanguard Total International Stock Index Fund Institutional Plus Shares	VTPSX	100%	\$11,508,869.01	\$11,508,869.01



Missouri MOST Advisor Plan						
Option	Portfolio	Underlying Fund(s)	Ticker	Allocation (%)	June 30, 2015	
					Market Value (\$)	Total Market Value (\$)
Asset-Allocation	Aggressive ETF Portfolio	iShares Core U.S. Aggregate Bond ETF	AGG	8.9%	\$2,990,298.76	\$33,598,862.47
		BlackRock Cash Funds - Institutional	BGIXX	0.2%	\$67,197.72	
		iShares MSCI Emerging Markets Index	EEM	6.7%	\$2,251,123.79	
		iShares MSCI EAFE Index Fund	EFA	21.1%	\$7,089,359.98	
		iShares Cohen & Steers REIT ETF	ICF	9.0%	\$3,023,897.62	
		iShares Trust - iShares Russell 1000 ETF	IWB	50.5%	\$16,967,425.55	
		iShares Russell 2000 Index ETF	IWM	2.1%	\$705,576.11	
		iShares Trust - iShares TIPS Bond ETF	TIP	1.5%	\$503,982.94	
	Moderate ETF Portfolio	iShares Core U.S. Aggregate Bond ETF	AGG	37.1%	\$16,169,363.50	\$43,583,190.02
		BlackRock Cash Funds - Institutional	BGIXX	0.2%	\$87,166.38	
		iShares MSCI Emerging Markets Index	EEM	3.6%	\$1,568,994.84	
		iShares MSCI EAFE Index Fund	EFA	13.4%	\$5,840,147.46	
		iShares Cohen & Steers REIT ETF	ICF	3.8%	\$1,656,161.22	
		iShares Trust - iShares Russell 1000 ETF	IWB	31.3%	\$13,641,538.48	
		iShares Russell 2000 Index ETF	IWM	4.3%	\$1,874,077.17	
		iShares Trust - iShares TIPS Bond ETF	TIP	6.3%	\$2,745,740.97	
	Conservative ETF Portfolio	iShares Core U.S. Aggregate Bond ETF	AGG	70.0%	\$7,979,157.30	\$11,398,796.43
		BlackRock Cash Funds - Institutional	BGIXX	0.2%	\$22,797.69	
		iShares MSCI Emerging Markets Index	EEM	0.2%	\$22,797.69	
		iShares MSCI EAFE Index Fund	EFA	3.8%	\$433,154.35	
		iShares Trust - iShares Russell 1000 ETF	IWB	8.4%	\$957,498.89	
iShares Russell 2000 Index ETF		IWM	5.3%	\$604,136.19		
iShares Trust - iShares TIPS Bond ETF		TIP	12.1%	\$1,379,254.32		
Individual	American Funds American Mutual Portfolio	American Funds American Mutual F	AMFFX	100%	\$30,621,830.23	\$30,621,830.23
	Deutsch Money Market Portfolio	Deutsche Money Market Prime Series	KMMXX	100%	\$9,646,806.07	\$9,646,806.07
	American Century Inflation-Adjusted Bond Portfolio	American Century Infl-Adj Bond Institutional	AIANX	100%	\$2,518,536.19	\$2,518,536.19
	PIMCO Total Return Portfolio	PIMCO Total Return Bond Class D	PTTDX	100%	\$14,001,763.57	\$14,001,763.57
	Columbia Mid Cap Index Portfolio	Columbia Mid Cap Index Z	NMPAX	100%	\$6,555,882.11	\$6,555,882.11
	Columbia Small Cap Index Portfolio	Columbia Small Cap Index Z	NMSCX	100%	\$5,685,262.40	\$5,685,262.40
	Deutsch Capital Growth Portfolio	Deutsche Capital Growth Institutional	SDGTX	100%	\$16,549,133.91	\$16,549,133.91



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Missouri MOST Advisor Plan						
Option	Portfolio	Underlying Fund(s)	Ticker	Allocation (%)	June 30, 2015	
					Market Value (\$)	Total Market Value (\$)
	Deutsch Large Cap Value Portfolio	Deutsche Large Cap Value Institutional	KDCIX	100%	\$10,600,796.56	\$10,600,796.56
	Deutsch Small Cap Value Portfolio	Deutsche Small Cap Value Institutional	KDSIX	100%	\$2,843,922.78	\$2,843,922.78
	Deutsch Equity 500 Index Portfolio	Deutsche Equity 500 Index Institutional	BTIIX	100%	\$5,657,377.89	\$5,657,377.89
	T. Rowe Price International Growth & Income Portfolio	T. Rowe Price International Growth and Income Fund	TRIGX	100%	\$9,092,663.79	\$9,092,663.79
	Templeton Growth Portfolio	Templeton Growth Class A	TEPLX	100%	\$15,778,949.86	\$15,778,949.86
	Invesco Van Kampen Equity and Income Portfolio	Invesco Equity and Income Y	ACETX	100%	\$13,490,418.57	\$13,490,418.57
	American Century Government Bond Portfolio	American Century Government Bond Inv	CPTNX	100%	\$982,346.38	\$982,346.38
	Scout International Anti-Terror Portfolio	UMB Anti-Terror Fund	N/A	100%	\$1,306,954.40	\$1,306,954.40

EXHIBIT B
Attachment 1 – Required Attachment Check List
(To be used by Bidders for Submission of Proposal)

A complete proposal will include the items identified below. Complete this checklist to confirm the items in your proposal. Place a check mark or “X” next to each item that you are submitting. For your proposal to be responsive, all required attachments must be returned. **RETURN THIS CHECKLIST WITH YOUR PROPOSAL PACKAGE.**

<u>ATTACHMENT</u>	<u>ATTACHMENT NAME / DESCRIPTION</u>	<u>INCLUDED</u>
1	Required Attachment Check List (this Exhibit B)	_____
2	Mandatory Requirements	_____
3	Audited Financial Statements for Bidder and Subcontractors, if applicable, Annual Report and SEC Filings	_____
4	Proposed Investment Options (Exhibit C)	_____
5	Underlying Fund Information, including Return Information (Exhibit D)	_____
6	Mutual Fund Prospectuses ²	_____
7	SSAE 16 Report	_____
8	Sample of Account Statements	_____
9	Sample of Quarterly 529 Program Report to Board	_____
10	Implementation Plan	_____
11	Investment Conversion / Mapping Charts (Exhibit E)	_____
12	E-Verify Business Entity Certification (Exhibit F)	Due at Contract Execution

² At the Bidder’s option, the prospectus for each Fund can be provided electronically on a CD included with each copy of the Bidder’s Proposal.

EXHIBIT C
Attachment 4 -- Proposed Investment Options

Investment Option (Bidder to specify)	Type of Option¹	Age-Band²	Asset Allocation %	Passive or Active

¹ This should indicate age-based, asset allocation, individual mutual fund, or other

² As applicable to Age-Based Investment Options

EXHIBIT D
Attachment 5 – Underlying Fund Information

General Information for Each Underlying Fund

Fund Name	Complete for Each Fund	Complete for Each Fund
Ticker		
For Advisor or Direct Plan?		
Passive or Active Management?		
Asset Class		
Style Category		
Market Cap Focus		
Geographic Focus		
Benchmark		
Morningstar Rating		
Lipper Ranking		
Inception Date		
Total Assets		
Portfolio Manager		
Share Class to be used in MOST		

Total Return Information for Each Underlying Fund

The Bidder must **ALSO** provide a table showing monthly total returns for each underlying fund and its benchmark from December 31, 2012 through June 30, 2015 (12/31/2012 – 6/30/2015) and the 5-year and 10-year total returns from December 31, 2009 and December 31, 2004 through December 31, 2014, respectively.

The Bidder must include a disc with the Excel spreadsheet showing this data.

EXHIBIT E
Attachment 11 - Investment Conversion / Mapping Charts

Missouri MOST Direct Plan					
Option	Portfolio	Existing Fund(s)	Allocation (%)	Replacement Fund	Allocation (%)
Age-Based	Aggressive Age-Based (0-5)	Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	70%		
		Vanguard Total International Stock Index Fund Institutional Plus Shares	30%		
	Aggressive Age-Based (6-10)	Vanguard Total Bond Market II Index Fund Institutional Shares	16%		
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	56%		
		Vanguard Total International Stock Index Fund Institutional Plus Shares	24%		
		Vanguard Total International Bond Index Fund Institutional Shares	4%		
	Aggressive Age-Based (11-15)	Vanguard Total Bond Market II Index Fund Institutional Shares	32%		
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	42%		
		Vanguard Total International Stock Index Fund Institutional Plus Shares	18%		
		Vanguard Total International Bond Index Fund Institutional Shares	8%		
	Aggressive Age-Based (16-18)	Vanguard Total Bond Market II Index Fund Institutional Shares	48%		
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	28%		
		Vanguard Total International Stock Index Fund Institutional Plus Shares	12%		
		Vanguard Total International Bond Index Fund Institutional Shares	12%		
	Aggressive Age-Based (19+)	Vanguard Total Bond Market II Index Fund Institutional Shares	64%		
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	14%		
Vanguard Total International Stock Index Fund Institutional Plus Shares		6%			
Vanguard Total International Bond Index Fund Institutional Shares		16%			
Moderate Age-Based (0-5)	Vanguard Total Bond Market II Index Fund Institutional Shares	16%			
	Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	56%			
	Vanguard Total International Stock Index Fund Institutional Plus Shares	24%			
	Vanguard Total International Bond Index Fund Institutional Shares	4%			

Missouri MOST Direct Plan					
Option	Portfolio	Existing Fund(s)	Allocation (%)	Replacement Fund	Allocation (%)
	Moderate Age-Based (6-10)	Vanguard Total Bond Market II Index Fund Institutional Shares	32%		
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	42%		
		Vanguard Total International Stock Index Fund Institutional Plus Shares	18%		
		Vanguard Total International Bond Index Fund Institutional Shares	8%		
	Moderate Age-Based (11-15)	Vanguard Total Bond Market II Index Fund Institutional Shares	48%		
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	28%		
		Vanguard Total International Stock Index Fund Institutional Plus Shares	12%		
		Vanguard Total International Bond Index Fund Institutional Shares	12%		
	Moderate Age-Based (16-18)	Vanguard Total Bond Market II Index Fund Institutional Shares	64%		
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	14%		
		Vanguard Total International Stock Index Fund Institutional Plus Shares	6%		
		Vanguard Total International Bond Index Fund Institutional Shares	16%		
	Moderate Age-Based (19+)	Vanguard Short-Term Inflation-Protected Securities Index Fund Institutional Shares	18%		
		Missouri Short-Term Reserves Account	25%		
		Vanguard Total Bond Market II Index Fund Institutional Shares	42%		
		Vanguard Total International Bond Index Fund Institutional Shares	15%		
	Conservative Age-Based (0-5)	Vanguard Total Bond Market II Index Fund Institutional Shares	32%		
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	42%		
		Vanguard Total International Stock Index Fund Institutional Plus Shares	18%		
		Vanguard Total International Bond Index Fund Institutional Shares	8%		
	Conservative Age-Based (6-10)	Vanguard Total Bond Market II Index Fund Institutional Shares	48%		
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	28%		
		Vanguard Total International Stock Index Fund Institutional Plus Shares	12%		
		Vanguard Total International Bond Index Fund Institutional Shares	12%		
	Conservative Age-Based (11-15)	Vanguard Total Bond Market II Index Fund Institutional Shares	64%		

Missouri MOST Direct Plan						
Option	Portfolio	Existing Fund(s)	Allocation (%)	Replacement Fund	Allocation (%)	
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	14%			
		Vanguard Total International Stock Index Fund Institutional Plus Shares	6%			
		Vanguard Total International Bond Index Fund Institutional Shares	16%			
	Conservative Age-Based (16-18)	Vanguard Short-Term Inflation-Protected Securities Index Fund Institutional Shares	18%			
		Vanguard Short-Term Reserves Account	25%			
		Vanguard Total Bond Market II Index Fund Institutional Shares	42%			
	Conservative Age-Based (19+)	Vanguard Total International Bond Index Fund Institutional Shares	15%			
		Vanguard Short-Term Reserves Account	100%			
	Static	Vanguard Aggressive Growth Portfolio	Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	70%		
			Vanguard Total International Stock Index Fund Institutional Plus Shares	30%		
Vanguard Growth Portfolio		Vanguard Total Bond Market II Index Fund Institutional Shares	16%			
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	56%			
		Vanguard Total International Stock Index Fund Institutional Plus Shares	24%			
		Vanguard Total International Bond Index Fund Institutional Shares	4%			
Vanguard Moderate Growth Portfolio		Vanguard Total Bond Market II Index Fund Institutional Shares	32%			
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	42%			
		Vanguard Total International Stock Index Fund Institutional Plus Shares	18%			
		Vanguard Total International Bond Index Fund Institutional Shares	8%			
Vanguard Conservative Growth Portfolio		Vanguard Total Bond Market II Index Fund Institutional Shares	48%			
		Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	28%			
		Vanguard Total International Stock Index Fund Institutional Plus Shares	12%			
		Vanguard Total International Bond Index Fund Institutional Shares	12%			
Vanguard Income Portfolio		Vanguard Total Bond Market II Index Fund Institutional Shares	64%			
	Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	14%				

Missouri MOST Direct Plan						
Option	Portfolio	Existing Fund(s)	Allocation (%)	Replacement Fund	Allocation (%)	
		Vanguard Total International Stock Index Fund Institutional Plus Shares	6%			
		Vanguard Total International Bond Index Fund Institutional Shares	16%			
	Vanguard Conservative Income Portfolio	Vanguard Short-Term Inflation-Protected Securities Index Fund Institutional Shares	18%			
		Vanguard Short-Term Reserves Account	25%			
		Vanguard Total Bond Market II Index Fund Institutional Shares	42%			
		Vanguard Total International Bond Index Fund Institutional Shares	15%			
	Individual	Vanguard Morgan Growth Portfolio	Vanguard Morgan Growth Fund Admiral Shares	100%		
		Vanguard Windsor II Portfolio	Vanguard Windsor II Fund Admiral Shares	100%		
		Vanguard International Growth Portfolio	Vanguard International Growth Fund Admiral Shares	100%		
		Vanguard Total Stock Market Index Portfolio	Vanguard Institutional Total Stock Market Index Fund Institutional Plus Shares	100%		
Vanguard Interest Accumulation Portfolio		Vanguard Short-Term Reserves Account	100%			
Vanguard Explorer Portfolio		Vanguard Explorer Fund Admiral Shares	100%			
Vanguard Total Bond Market Index Portfolio		Vanguard Total Bond Market Index Fund Institutional Shares	100%			
Vanguard Total International Bond Index Portfolio		Vanguard Total International Bond Index Fund Institutional Shares	100%			
Vanguard Total International Stock Index Portfolio	Vanguard Total International Stock Index Fund Institutional Plus Shares	100%				

Missouri MOST Advisor Plan					
Option	Portfolio	Existing Fund(s)	Allocation (%)	Replacement Fund	Allocation (%)
Asset Allocation	Aggressive ETF Portfolio	iShares Core U.S. Aggregate Bond ETF	8.9%		
		BlackRock Cash Funds - Institutional	0.2%		
		iShares MSCI Emerging Markets Index	6.7%		
		iShares MSCI EAFE Index Fund	21.1%		
		iShares Cohen & Steers REIT ETF	9.0%		
		iShares Trust - iShares Russell 1000 ETF	50.5%		
		iShares Russell 2000 Index ETF	2.1%		
		iShares Trust - iShares TIPS Bond ETF	1.5%		
	Moderate ETF Portfolio	iShares Core U.S. Aggregate Bond ETF	37.1%		
		BlackRock Cash Funds - Institutional	0.2%		
		iShares MSCI Emerging Markets Index	3.6%		
		iShares MSCI EAFE Index Fund	13.4%		
		iShares Cohen & Steers REIT ETF	3.8%		
		iShares Trust - iShares Russell 1000 ETF	31.3%		
		iShares Russell 2000 Index ETF	4.3%		
		iShares Trust - iShares TIPS Bond ETF	6.3%		
	Conservative ETF Portfolio	iShares Core U.S. Aggregate Bond ETF	70.0%		
		BlackRock Cash Funds - Institutional	0.2%		
		iShares MSCI Emerging Markets Index	0.2%		
		iShares MSCI EAFE Index Fund	3.8%		
		iShares Trust - iShares Russell 1000 ETF	8.4%		
iShares Russell 2000 Index ETF		5.3%			
Individual	American Funds American Mutual Portfolio	American Funds American Mutual F	100%		
	Deutsch Money Market Portfolio	Deutsche Money Market Prime Series	100%		
	American Century Inflation-Adjusted Bond Portfolio	American Century Infl-Adj Bond Institutional	100%		
	PIMCO Total Return Portfolio	PIMCO Total Return Bond Class D	100%		
	Columbia Mid Cap Index Portfolio	Columbia Mid Cap Index Z	100%		
	Columbia Small Cap Index Portfolio	Columbia Small Cap Index Z	100%		
	Deutsch Capital Growth Portfolio	Deutsche Capital Growth Institutional	100%		
	Deutsch Large Cap Value Portfolio	Deutsche Large Cap Value Institutional	100%		
	Deutsch Small Cap Value Portfolio	Deutsche Small Cap Value Institutional	100%		



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Missouri MOST Advisor Plan					
Option	Portfolio	Existing Fund(s)	Allocation (%)	Replacement Fund	Allocation (%)
	Deutsch Equity 500 Index Portfolio	Deutsche Equity 500 Index Institutional	100%		
	T. Rowe Price International Growth & Income Portfolio	T. Rowe Price International Growth and Income Fund	100%		
	Templeton Growth Portfolio	Templeton Growth Class A	100%		
	Invesco Van Kampen Equity and Income Portfolio	Invesco Equity and Income Y	100%		
	American Century Government Bond Portfolio	American Century Government Bond Inv	100%		
	Scout International Anti-Terror Portfolio	UMB Anti-Terror Fund	100%		



EXHIBIT F
Attachment 12 - Business Entity Certification, Enrollment Documentation,
and Affidavit of Work Authorization

BUSINESS ENTITY CERTIFICATION:

The Bidder must certify their current business status by completing either Box A or Box B on this Attachment.

Business entity, as defined in section 285.525, RSMo pertaining to section 285.530, RSMo is any person or group of persons performing or engaging in any activity, enterprise, profession, or occupation for gain, benefit, advantage, or livelihood. The term “**business entity**” shall include but not be limited to self-employed individuals, partnerships, corporations, contractors, and subcontractors. The term “**business entity**” shall include any business entity that possesses a business permit, license, or tax certificate issued by the state, any business entity that is exempt by law from obtaining such a business permit, and any business entity that is operating unlawfully without such a business permit. The term “**business entity**” shall not include a self-employed individual with no employees or entities utilizing the services of direct sellers as defined in subdivision (17) of subsection 12 of section 288.034, RSMo.

Note: Regarding governmental entities, business entity includes Missouri schools, Missouri universities, out of state agencies, out of state schools, out of state universities, and political subdivisions. A business entity does not include Missouri state agencies and federal government entities.

BOX A – CURRENTLY NOT A BUSINESS ENTITY

I certify that _____ (Company/Individual Name) **DOES NOT CURRENTLY MEET** the definition of a business entity, as defined in section 285.525, RSMo pertaining to section 285.530, RSMo as stated above, because: (check the applicable business status that applies below)

- I am a self-employed individual with no employees; **OR**
- The company that I represent utilizes the services of direct sellers as defined in subdivision (17) of subsection 12 of section 288.034, RSMo.

I certify that I am not an alien unlawfully present in the United States and if _____ (Company/Individual Name) is awarded a contract for the services requested herein under “2009 RFP for Depository Services” and if the business status changes during the life of the contract to become a business entity as defined in section 285.525, RSMo pertaining to section 285.530, RSMo then, prior to the performance of any services as a business entity, _____ (Company/Individual Name) agrees to complete Box B, comply with the requirements stated in Box B and provide the Division of Purchasing and Materials Management with all documentation required in Box B of this Appendix.

ATTACHMENT 12, continued

BOX B – CURRENT BUSINESS ENTITY STATUS

I certify that _____ (Business Entity Name) **MEETS** the definition of a business entity as defined in section 285.525, RSMo pertaining to section 285.530, RSMo as stated above.

Authorized Business Entity
Representative's Name

Authorized Business Entity
Representative's Signature

(Please Print)

Business Entity Name

Date

As a business entity, the Bidder must perform/provide the following. The Bidder should check each to verify completion/submission:

- Enroll and participate in the E-Verify federal work authorization program (Website: http://www.dhs.gov/xprevprot/programs/gc_1185221678150.shtm; Phone: 888-464-4218; Email: e-verify@dhs.gov) with respect to the employees hired after enrollment in the program who are proposed to work in connection with the services required herein; AND
- Provide documentation affirming said company's/individual's enrollment and participation in the E-Verify federal work authorization program. Documentation shall include a page from the E-Verify Memorandum of Understanding (MOU) listing the Bidder's name and the MOU signature page completed and signed, at minimum, by the Bidder and the Department of Homeland Security – Verification Division: (if the signature

