

May 15, 2003

03-139

ACCEPT PROPOSALS/AWARD CONTRACTS FOR  
FINANCIAL PLANNING SERVICES FOR EMPLOYEES TO  
VALIC AIG FINANCIAL ADVISORS INC and AMERICAN  
EXPRESS RETIREMENT SERVICES INC

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FINANCIAL  
RESPONSIBILITY: Jerry Donnelly, Director, Human Resources

APPROVED BY: Randy McEwen, Vice-President, Administrative Services  
Jesus "Jess" Carreon, President

REPORT: The College's Human Resources Department has a need to contract with qualified firm(s) to provide financial planning services. The selected financial planning provider(s) will assist in planning and advising any of the College's employees and their immediate family members who may want to evaluate their personal financial needs. This service will be considered as one of the benefits available for all College employees. The employees (and/or family members) who receive this service will be responsible for paying the financial planning providers directly, at discounted low rates. There will be no funds actually expended out of the College's budget.

A Request for Proposals (RFP) for Financial Planning Services was advertised in the Daily Journal of Commerce, State of Oregon VIP System, and made available (accessible) online through the College's Procurement external website, on February 27, 2003. A total of twenty-two (22) vendors received a copy of the RFP. None of the vendors were certified MWESB firms. A total of six (6) proposals were received by the deadline of March 20, 2003. The proposals were evaluated and scored based on the following criteria: Quality of proposal, Scope of services, Qualifications of the firm and assigned staff, Client references, and Costs. Award may be recommended to the proposals(s) receiving the highest total points. Below is the list of proposals received and respective total points.

<u>Firms</u>	<u>Total Points</u>
<b>AIG VALIC</b>	<b>279</b>
AXA Advisors	235
<b>American Express</b>	
<b>Retirement Services</b>	<b>248</b>
Gail J. Parker, CFP	212
Merrill Lynch	231
Waddell & Reed	106

After the interview process, the committee is recommending to award the contract to AIG VALIC Inc and American Express Retirement Services because of their ability to provide extensive educational services; variety of financial planning tools through web, via phone and one-on-one, dedicated team of financial planners, broad range of customized financial planning modules/services, reasonable/affordable fee structure and solid experience. AXA Advisor, on the other hand, submitted a good proposal but during the interview process AXA had a hard time explaining and was not clear on how an employee would access their financial planning process and how the fee structure is setup.

None of the proposers are State certified MWESB firms.

**RECOMMENDATION:** That the Board of Directors accept the proposal(s) from, and award contract(s) to, AIG VALIC and American Express Retirement Services, to provide financial planning services to all of the College's employees and their immediate family members. The contract will be valid through June 30, 2006. The College employees will be responsible for paying the service fees directly, and no funds will be expended out of the College's budget.

Resolutions 03-092 through 03-144 were moved for approval by Director Anderson and the motion carried unanimously.