

To: MN Secure Choice Board of Directors

From: Dave Bergstrom, Interim Executive Director

Re: Request for Proposal to Hire an Operational Consultant

At the December 6, 2024, meeting, the Board approved the fiscal year 2025 budget which contained an item to hire an operational consultant to provide advice to the Board and Staff regarding the development of the Minnesota Secure Choice Program. \$25,000 was budgeted in FY 2025 (which ends June 30, 2025) with a projected total cost of \$100,000. The consultant will not be needed to provide investment advice as the State Board of Investment staff is extremely qualified to advise the Board on investment decisions.

I am recommending hiring a consultant that will perform duties as requested by the Board and will bill at an hourly rate based on the duties requested. Since the Program is new to Minnesota, it isn't exactly known what advice the Board and Staff may need. For example, the advice will be different if the Board decides to set up a stand-alone program compared to advice needed if the Board elects to enter a partnership with other programs.

I have attached a draft of the pertinent components of a proposed Request for Proposal (RFP) – I did not attach all the standard contract language required by the State. A few of the items where a consultant could provide advice are:

- Assist the Board in deciding whether to create a new plan or enter a partnership with other states.
- Review the responses to Requests for Proposal if the Board decides to create a stand-alone program or review the responses from other programs to enter into a Joint Powers Agreement if the Board decides to enter into a partnership.
- Advise on best practices regarding Program implementation, ongoing administration, fee structure, and marketing.
- Provide ongoing advice regarding industry developments, legislative or regulatory changes, marketing and outreach, governance policies and risk management.
- Develop metrics to measure the success of the Program.
- Identify Program weaknesses.
- Perform a long-term budget projection to determine the financial viability of the Program.

In the RFP, I am proposing that the responses be evaluated as follows:

Work Plan for Deliverables or Approach	300 points
Qualifications and Experience/References and Work Sample	350 points
Diversity Equity and Inclusion	50 points
Cost Detail	<u>300 points</u>
Total	1,000 points