



**Request for Qualifications  
For  
529 Program Management Services**

**August 19, 2024**

**Vermont Student Assistance Corporation**

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TDD 800-281-3341 • [www.vsac.org](http://www.vsac.org)

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## SUMMARY

- 1. Type of Document:** Request for Qualifications (“RFQ”)
- 2. Issuing Office:** Vermont Student Assistance Corporation (“VSAC”)  
10 East Allen Street,  
PO Box 2000  
Winooski, VT 05404-2601  
Phone 802-655-9602 • Fax 802-654-3765  
TDD 800-281-3341 • [www.vvac.org](http://www.vvac.org)
- 3. VSAC Contact:** Richard Westman VHEIP-Executive Office  
Phone: 802-655-9602 or 802-338-5116  
Email: [westman@vsac.org](mailto:westman@vsac.org)  
Fax: 802-654-3765
- 4. Responses Requested From:** Firms interested in serving as the Program Manager for VSAC’s 529 Plan. Respondents must have 5 years of 529 experience for the Services offered.
- 5. Questions and Answers:** Questions regarding this RFQ must be submitted in writing and must be submitted to [VSAC529@VSAC.org](mailto:VSAC529@VSAC.org), no later than August 23, 2024; 2pm ET. Respondents are solely responsible for verifying VSAC’s timely receipt of their questions by the deadline specified above. Notices of changes to items directly impacting the RFQ and responses to questions will be distributed to all recipients of the RFQ and to anyone else who contacts us at [VSAC529@VSAC.org](mailto:VSAC529@VSAC.org) and affirmatively requests RFQ updates.
- 6. Response Submissions** Your electronic submission must be sent to [VSAC529@VSAC.org](mailto:VSAC529@VSAC.org) by 2pm ET on September 23, 2024. You must confirm receipt of the submission. **Late submissions will not be considered.**
- 7. Oral Presentations:** In VSAC’s discretion and to assist in additional information gathering, VSAC may invite one or more Respondents to present and explain in further detail the Services described in the RFQ Response. Presentations, if any, will be held at VSAC’s offices the week of October 7, 2024.
- 8. New Term:** The successful Respondent(s) to this RFQ must be able to begin Services no later than June 1, 2025, with an initial term through May 31, 2030.

## INTRODUCTION

The Vermont Student Assistance Corporation (“VSAC”) issues this Request for Qualifications (“RFQ”) to gather proposals from firms interested in providing 529 plan services for the Vermont Higher Education Investment Plan (“VHEIP” or the “Plan”). VHEIP is Vermont’s only qualified tuition plan established and maintained in accordance with Section 529 of the Internal Revenue Code of 1986, as amended (“Section 529”), and it is offered directly to the public. Responses to this RFQ will aid in VSAC’s general understanding of the providers of various 529 services available in the industry and interested in working with the Plan. All references in this document to VSAC include VSAC’s Board of Directors.

VSAC seeks information from firms (“Respondents”) that are capable of and interested in providing a comprehensive package of program management services and will also offer support to complement VSAC’s marketing of the Plan (“Services”). These Services, which are described later in this RFQ, include:

- Tax and legal compliance services
- Administrative services and recordkeeping
- Customer call center and related services
- Investment management
- Marketing support
- Distribution
- Marketing website and online account portal – development and maintenance
- Conversion

VSAC will accept responses that include several firms and/or subcontractors, but one firm must execute the management agreement as lead contractor and be accountable to VSAC for all Services (the “Program Manager”, and the “Management Agreement”). As a result of this RFQ, VSAC will award and execute a single Management Agreement with the successful Respondent to perform comprehensive Services as described in this RFQ with the proviso that VSAC expects to retain the marketing role it currently performs.

## VSAC BACKGROUND

VSAC is a public nonprofit corporation chartered in Chapter 87 of Title 16, Vermont Statutes annotated, as an instrumentality and agency of the State of Vermont. VSAC is the premier provider of postsecondary information and financial assistance services and products in Vermont, in accordance with our mission to ensure that all Vermonters have the necessary financial and information resources to pursue their educational goals beyond high school.

VSAC provides a wide variety of coordinated services to Vermont students and families: Outreach programs for middle and high school youth and also adults; Vermont’s need-based grant program; scholarship administration; the origination and servicing of private student loans; and VHEIP, the State’s 529 college savings plan. VSAC also includes the affiliated Vermont Scholarship Fund, a 501(c)(3) corporation whose mission is to provide scholarships to Vermonters through gifts from philanthropic sources. As a result of the breadth and depth of VSAC’s services, we maintain an integrated marketing effort across all our programs, including VHEIP.

On July 1, 1997, the Vermont Legislature authorized legislation enabling VHEIP. In that act the Vermont General Assembly articulated the general purpose and importance of VHEIP. It is VSAC's job to create and implement the means that encourage and enable families to save for the higher education of their children and grandchildren. Below are the core principles and values, set forth as findings in Title 16, Section 2875 of the Vermont Statutes Annotated. These findings guide VSAC in the implementation of the Plan:

- (a) The general welfare and well-being of the State are directly related to the educational levels and skills of its citizens.
- (b) It is the policy of the State to advance postsecondary education opportunities by utilizing the state's limited resources in an effective, efficient and equitable manner.
- (c) Given the cost of postsecondary education to students, families and the taxpayers of the State, it is in the public interest of the State to support supplemental means which will enable its citizens to pursue their educational aspirations.
- (d) It is a valid and vital public purpose of the State to create a means of encouraging the savings and investing of funds for future postsecondary education, in compliance with the Internal Revenue Code of 1986, as amended.

In implementing these provisions, we view it as VSAC's role to:

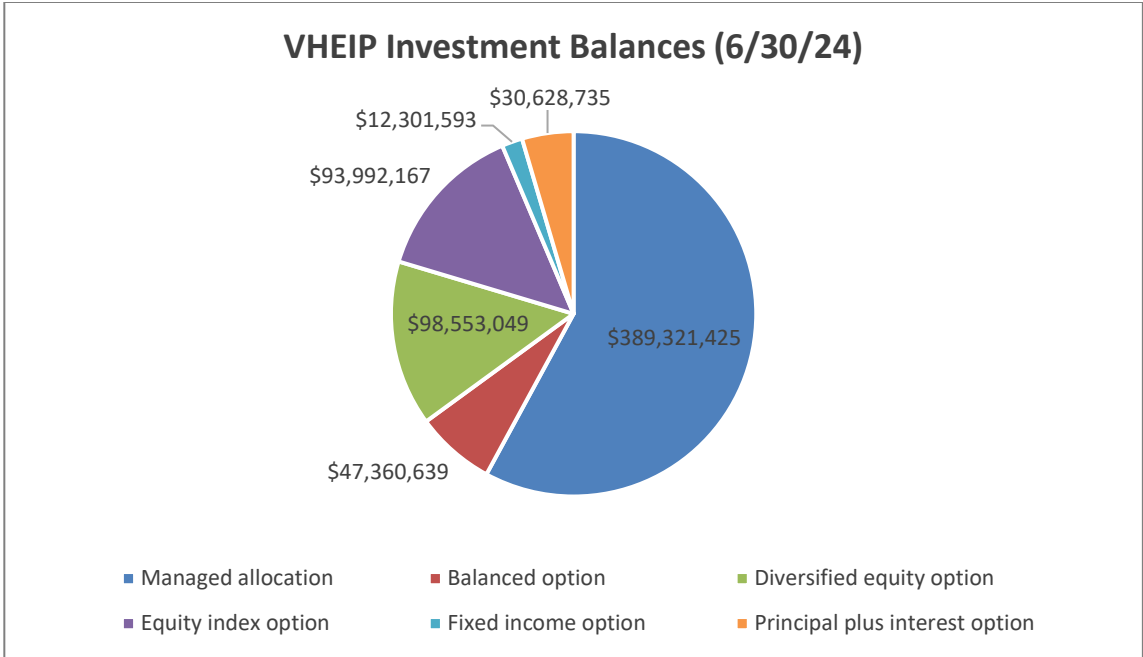
- Give investors high quality investments that strive to meet or surpass tuition inflation;
- Continue to provide a core set of high quality, straightforward investment options;
- Provide investments that benefit all family investors regardless of investment expertise;
- Make the choice of investments from the portfolio easy and transparent for participants with limited investment experience;
- Limit new options or enhancements to those that add value to the overall portfolio;
- Successfully motivate families to save and invest for their children's future higher education needs;
- Keep the Plan streamlined with an affordable and competitive fee structure and understandable so that families are comfortable with the Plan and their options within it;
- Provide quality assurance and review plus formal fiscal oversight and control.

VHEIP is an important and growing component of VSAC's mission. The Plan is authorized by the Vermont Legislature pursuant to Sections 2875 through 2879f, Chapter 87 of Title 16, Vermont Statutes Annotated<sup>1</sup> (the "Act"). The Plan was managed by TIAA CREF Tuition Financing Inc. from December 1999 through September 2015. The Plan has since been managed by Catalis Regulatory and Compliance, LLC, successor to Intuition College Savings Solutions, LLC.

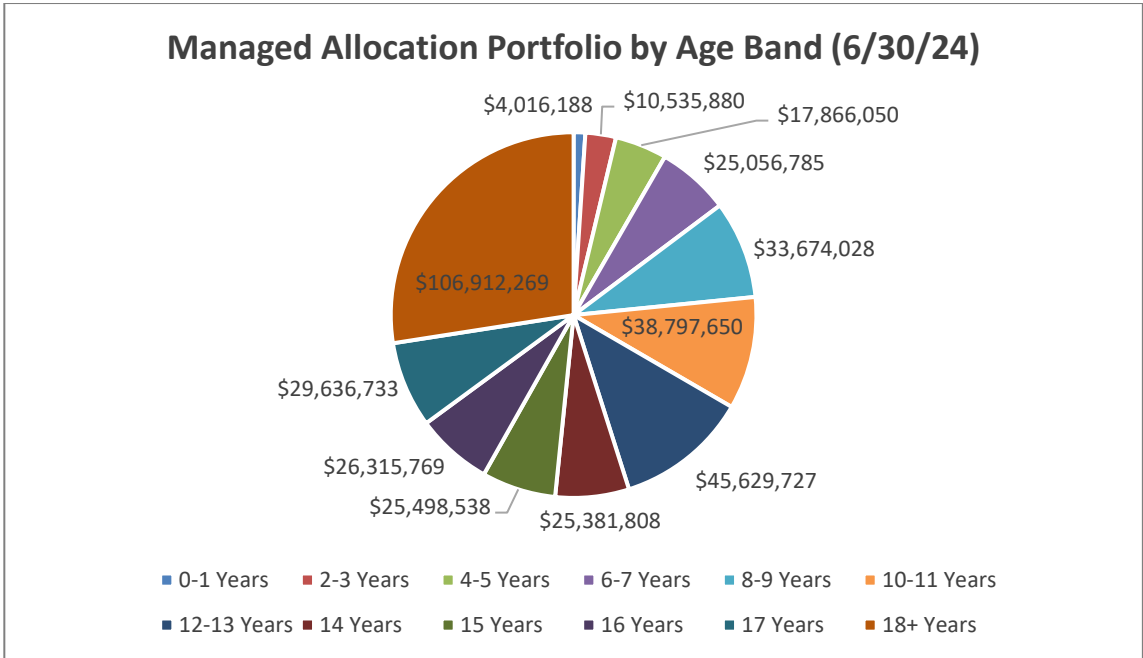
As of June 30, 2024, the VHEIP plan had total assets of approximately \$672.16 million across 29,311 accounts. Assets are distributed across six investment options as follows:

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<sup>1</sup> See <https://legislature.vermont.gov/statutes/section/16/087/02877>



The managed allocation investment option includes 12 different age bands, with assets distributed as follows as of June 30, 2024:



The specific investment options within each strategy and performance metrics are available on our website (<https://www.vheip.org/investment-options-performance/>).

VHEIP also offers a prepaid debit card to Plan participants and plans to continue it or an equivalent offering. Funds can be withdrawn from a VHEIP account and loaded onto a participant's prepaid debit card, which can then be used to pay for qualified expenses. As of June 30, 2024, 202 prepaid cards have been issued for the Plan.

In addition to the federal tax benefits associated with Section 529 college savings plans, VHEIP offers State tax benefits to Vermont taxpayers<sup>2</sup>. Specifically, a Vermont taxpayer (or, in the case of a married couple filing jointly, each spouse) is eligible for a nonrefundable income tax credit of 10% of the first \$2,500 per beneficiary contributed to VHEIP in each taxable year (i.e., a nonrefundable income tax credit of up to \$250 per taxpayer per beneficiary). Pursuant to the Vermont Department of Taxes Technical Bulletin (TB-66,) rollovers from another state's qualified tuition plan into VHEIP generally are eligible for the tax credit under the conditions stated in the Bulletin and provided the funds remain in VHEIP for the remainder of the taxable year in which the funds are rolled into VHEIP. In the event that a tax credit was received for a non-qualified withdrawal of funds or a withdrawal that was not used exclusively for costs of attendance at an approved post-secondary institution, tax credits will be repaid to the State.

Under VSAC's current structure, VSAC handles virtually all marketing responsibilities for VHEIP. VSAC receives a 5-basis point (0.05%) administrative fee and a 9-basis point (0.09%) marketing fee out of the total 39 basis point fee (0.39%), including underlying fund fees, assessed on each account.

VSAC seeks a Program Manager that will complement its overall education and marketing efforts across the State, particularly its reputation for excellent customer service and its mission to provide the most comprehensive information possible about options for planning and paying for education and training. VSAC markets and promotes VHEIP in connection with the other student services it offers, including information and activities about Exploring for College, Planning for College, Saving for College and Paying for College. We refer you to our website: [vsac.org](https://vsac.org) for an example of the comprehensive information and services we provide to our constituents.

For more information about VHEIP go to [www.vheip.org](http://www.vheip.org). Please also see the 2023 VSAC Annual Report, which can be found on the VSAC website<sup>3</sup>.

## SERVICES REQUESTED

VSAC seeks proposals from qualified firms to provide Services to the Plan in compliance with Section 529 and the Act. The Services must represent the best value for Plan participants and the State of Vermont. The responsibilities of the selected Respondent shall include all the Services listed below.

### **Tax and Legal Compliance Services**

A key component of the Services is ensuring that the Plan is established and maintained in compliance with Section 529 and all related regulations, the Act, Federal and State laws, and, where applicable, industry best practices. The Program Manager must also maintain compliance with future laws and regulations. VSAC will also expect the Program Manager to advise on VSAC rules and policies to ensure ongoing compliance with Section 529.

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<sup>2</sup> See <https://legislature.vermont.gov/statutes/section/32/151/05825a>

<sup>3</sup> See <https://www.vsac.org/news/annual-reports>

### **Administrative Services and Recordkeeping**

Administrative services include processing customer account setup and account changes (in paper form and through electronic submissions); processing customer contributions, withdrawals, and other transactions (in paper form and through electronic submissions); financial reporting to account owners, including quarterly and annual account statements; 1099Q reporting and distribution; drafting of disclosures and plan descriptions; an annual data file of contributions by Vermont tax payers to the Vermont Department of Taxes; creation, maintenance, and processing of forms; and providing quarterly and annual reporting on Plan matters to VSAC, as agreed upon in the Management Agreement.

VHEIP also seeks a way for customers to give an authorized agent access to their account to perform services from receiving duplicate copies of account statements to making contributions, changing future allocations, requesting rebalancing, and initiating withdrawals.

VHEIP is also interested in continuing to offer a prepaid debit card, although this is not a required part of the Services. Please note that the Plan's current prepaid card is offered solely through a partnership with the Plan's current Program Manager. If a change of Program Manager occurs as a result of this RFQ, the Plan will cease to offer its existing prepaid debit card.

Recordkeeping services also include account maintenance at an individual account level; aggregating accounts for all tax compliance and reporting purposes; providing daily NAVs for the Plan (based upon information from the investment manager(s)); collecting information to fulfill financial reporting to account owners; accounting for rollovers to or from another 529 plan, to a 529A plan, or to a Roth IRA; and any other related recordkeeping services including custody and transfer agency services.

### **Customer Call Center and Related Services**

The Program Manager (or a subcontractor) must provide responsive phone and email support to customers. The customer call center must provide live customer service that meets or exceeds industry performance standards Monday through Friday (excluding New York Stock Exchange holidays) from 8am to 5pm EST.

### **Investment Management**

The Program Manager (or a subcontractor) must design and construct investment portfolios for VHEIP and should have at least five years of experience delivering investment management services to a 529 or similarly structured plan. VHEIP seeks investments with historically high investment performance, progressive glidepath options for an allocated portfolio, and competitively priced fees. In an effort to keep Plan costs as low as possible, VSAC prefers indexed investment options. However, VSAC welcomes proposals that offer either a mixture of indexed and actively managed options or actively managed options alone.

The Program Manager (or its subcontractor) should expect to present investment performance data and analysis, and respond to questions, a minimum of semi-annually.

### **Marketing Support**

VSAC has successfully marketed VHEIP for the past 10 years and intends to continue to do so going forward. VSAC is interested in learning about ways that the Respondent can further support VSAC's marketing efforts.

### **Distribution**



VSAC expects that interests in the Plan will be issued and distributed in compliance with the rules and regulations applicable to the distribution of Municipal Fund Securities, as defined by the Municipal Securities Rulemaking Board.

**Marketing Website and Online Account Portal – Development and Maintenance**

The Respondent must be able to provide a VSAC/VHEIP-branded, secure public marketing website and an online account portal for account owners. Both the marketing website and the online account portal should be available 24/7. The online account portal must also provide for online enrollment and account maintenance. The public marketing site should also provide information on VHEIP, account literature and forms, frequently asked questions, and general marketing information about VHEIP and VSAC. To the extent possible, the websites should be available in multiple languages and be capable of integrating with or otherwise linking to other VSAC account information through APIs, web services or other technology.

The marketing website, the online account portal, and any other relevant web content provided by the Program Manager must comply with new web rules published by the Department of Justice<sup>4</sup> (effective June 2024), including adherence to Web Content Accessibility Guidelines 2.1 Level AA.

**Conversion Services (if applicable)**

The successful Respondent shall collaborate with the existing VHEIP Program Manager to seamlessly and accurately transition Plan records, assets, accounts, and other Plan components by no later than June 1, 2025. In addition, the new Program Manager shall enter into a Conversion Agreement with VSAC and the existing Program Manager; communicate appropriately with account owners regarding the transition and any actions that they need to take; and take any other actions necessary to complete a re-launch of the Plan no later than June 1, 2025.

**TIMETABLE AND SUBMISSIONS**

**Expected Schedule**

The following represents an expected timetable relating to the RFQ and implementation of a new program management term for VHEIP:

<b>Event</b>	<b>Date</b>
<i>Question submitted to VSAC</i>	August 23, 2024 by 5pm ET
<i>Answers posted online and distributed to RFQ recipients</i>	August 30, 2024 by 5pm ET
<i>Due Date for submissions</i>	September 23, 2024 by 2pm ET
<i>Selected interviews, if any and Tentative Award</i>	Week of October 7, 2024
<i>Management Agreement negotiations</i>	October 14, 2024 – November 15, 2024
<i>New VHEIP term begins</i>	June 1, 2025

<sup>4</sup> See <https://www.ada.gov/assets/pdfs/web-rule.pdf>

Management's recommendation will be made to the Board of Director's Finance Committee on November 18, 2024; final and formal approval will be by the Board of Directors on December 10, 2024. Note: these approval dates may be scheduled sooner to achieve conversion by the intended June 1, 2025 date.

VSAC reserves the right to revise any of the above dates if necessary. Please note, however, that **June 1, 2025 is a hard deadline for the launch of a new or revised VHEIP**. All Respondents will be asked to commit to this date.

### **VSAC's Right to Amend, Modify or Withdraw RFQ**

VSAC reserves the right, in its sole discretion, to amend or modify any provisions of this RFQ, or to withdraw this RFQ at any time prior to the award of a Management Agreement. Notices of changes to items directly impacting the RFQ will be distributed to all direct RFQ recipients and to anyone else who contacts us at VSAC529@vsac.org and affirmatively requests RFQ updates.

### **Confidentiality**

VSAC and each Respondent shall expressly agree that confidential information identified as such by either party during the course of this RFQ or during performance under the Management Agreement shall not be divulged to any person or company outside of authorized representatives of either party except upon receipt of prior written approval of the other party. Notwithstanding the preceding sentence, Respondents are on notice and by responding to this RFQ acknowledge and understand that VSAC, as an instrumentality and agency of the State of Vermont, is subject to Vermont's public records ("FOIA") laws, meaning that portions or all of RFQ responses may be a public document under those laws. If VSAC receives a public record request for an RFQ response, VSAC will assert the confidentiality of the materials to the extent permitted by the law and will give prior notice of any disclosure to the affected Respondent(s). The Respondent selected to provide the Services agrees to be bound by VSAC's Customer Privacy Protection Requirements.

### **Media Releases**

VSAC does not endorse any Respondent or Service. Media releases pertaining to this RFQ, the Management Agreement, if any, or the Services to which they relate shall not be made without VSAC's prior written consent and then only in accordance with explicit written instructions from VSAC. The disclosure of the contents of submissions prior to the award of a Management Agreement, if any, or any other violation of this Section, may result in disqualification.

### **Oral Presentations**

VSAC may, but is not required to, invite one or all Respondents to present an overview of the Services proposed in their submissions. The presentations will be made at VSAC's offices in Winooski, Vermont or virtually as agreed to by both parties, according to the dates included in the Expected Schedule above.

### **Rejection of Proposals**

VSAC reserves the sole right to decide whether a proposal complies with the requirements of the RFQ, to accept, reject or negotiate modifications of a Respondent's proposal or any parts thereof and also to waive any irregularity, informality, or non-compliance with the RFQ or any part thereof.

VSAC reserves the right to accept and award the Management Agreement executed pursuant to this RFQ to other than the lowest cost Respondent. VSAC reserves the right not to make an award to any Respondent.

### **Proposal Costs**

Respondents to this RFQ are responsible for any expenses related to the preparation and submission of a response. VSAC bears no responsibility for the cost of proposal preparation. Proposals and other materials submitted will become the property of VSAC.

## **EVALUATION**

VSAC will review all submissions for satisfaction of minimum experience requirements and completeness of response. All Respondents must demonstrate five years of experience in related 529 plan Services. Submissions will be evaluated according to the following criteria, the type of Services proposed, and the costs proposed for the respective Services:

- Completeness and quality of the submission
- Stability and integrity of the Respondent and any related entities
- Expertise and experience of the Respondent and its professional team
- Design of the investment options
- Understanding of the Plan and its relationship to VSAC and VSAC's comprehensive services to families
- Support of VSAC's Marketing efforts
- Quality of Plan administration and customer service
- Relative costs for the Vermont investor
- Alignment with VSAC's mission and values

As indicated in Timetable and Submissions section above, as part of its evaluation, VSAC may invite any one or all Respondents to make an oral presentation to gain a better understanding of the Respondent's submission or to obtain additional information. Not all Respondents may be asked to make such oral presentations. Accordingly, each Respondent's submission should be as complete as possible and should be viewed as a best-and-final offer to provide Services. VSAC also reserves the right to accept or to reject all proposals submitted in response to this RFQ.

VSAC reserves the right to select a Respondent based upon information provided in the written submission, learned in oral interviews or provided pursuant to a VSAC request for revisions, if deemed necessary. The successful Respondent will be chosen based on VSAC's evaluation and determination of which Respondent will provide the greatest benefit to the Plan participants and the State of Vermont, not necessarily on the basis of lowest price. VSAC has no obligation to reveal how proposals were assessed.

Upon VSAC's selection of a successful Respondent, VSAC will begin to negotiate a Management Agreement. Considering the conversion date, if a Management Agreement cannot be successfully negotiated within a reasonable period, VSAC may terminate negotiations and begin to negotiate with another Respondent.

## **GENERAL PROVISIONS**

### **Authority**

VHEIP is authorized by and this RFQ is issued pursuant to the authority granted in Chapter 87 of the Vermont Statutes Annotated. Pursuant to that Chapter, VSAC is authorized to enter into contracts and other necessary instruments to acquire services for the Plan.

### **Term of Management Agreement**

If an Agreement is awarded, the initial term will begin no later than June 1, 2025, and will terminate five years after successful asset and account transition. VSAC will have the option, in its sole discretion, to extend the Agreement for a renewal term of up to five years. VSAC may extend any of these deadlines by a reasonable period tied to the time needed for successful conversion of assets and accounts.

### **VSAC Rights**

In its sole discretion, VSAC may exercise the following rights which include, but are not limited to:

- rejection, in whole or in part, of any and all proposals received in response to this RFQ;
- negotiate with more than one Respondent;
- waiver of administrative deficiencies and/or minor technicalities in submissions received;
- using any and all ideas submitted in the proposals received;
- directing any Respondent to submit response modifications addressing subsequent RFQ amendments, if applicable;
- requesting Respondents to clarify and/or submit additional information pertaining to their proposals;
- requesting discussions of proposal with any Respondent; and
- selecting a qualified Respondent without oral interviews.

### **Successful Respondent Obligations and Limitations**

The requested Services shall be provided under VSAC's direction and VSAC shall look solely to the successful Respondent for performance of the Services set forth in the Management Agreement. The successful Respondent that serves as Program Manager shall be liable for the performance of all obligations under the Management Agreement and shall not be relieved of non-performance of any subcontractor. VSAC will be named as a third-party beneficiary of any subcontract and have the right to approve or reject any subcontractor arrangement. The Respondent that is selected as Program Manager shall be the sole point of responsibility for the Management Agreement. Any successful Respondent shall have no authority to act for or on behalf of VSAC or the State of Vermont except as expressly provided for in the Management Agreement; no other authority, power, use, or joint enterprise is granted or implied. No successful Respondent may incur any debts, obligations, expenses, or liabilities of any kind on behalf of VSAC or the State of Vermont.

## RESPONDENT QUESTIONNAIRE

In this questionnaire, “we” means VSAC, and “you” means the Respondent firm.

### Section 1. Respondent information

1. Firm Name and Address:

<b>Firm Name</b>	
Address Line 1	
Address Line 2	
City	
State	
Zip Code	

2. Contact Information:

<b>Primary Contact Name</b>	
Title	
Office Phone	
Cell Phone	
Email	
<b>Alternate Contact Name</b>	
Title	
Office Phone	
Cell Phone	
Email	

3. You must demonstrate five (5) years of previous experience providing the Services sought by this RFQ. Please provide this information by completing the following table:

Service	To (name of 529 client):	When (time showing 5 years):	By (you or a subcontractor):	Confirm that services are provided in the United States
<b>Tax and Legal Compliance</b>				
<b>Administration and Recordkeeping</b>				
<b>Customer Call Center and Related Services</b>				
<b>Investment Management</b>				
<b>Marketing</b>				
<b>Website Development and Maintenance</b>				

4. Provide organizational charts, resumes, and affiliations (for subcontractors) for all key personnel for the overall delivery of Services outlined in this RFQ. No additional narrative is needed unless you believe the chart is not clear as to lines of responsibility.
5. Please provide a link to, or attach copies of, your two most recent audited financial statements. If audited financial statements are not available, then provide a link to, or attach copies of, your firm's two most recent unaudited financial statements or annual reports as attested by an independent certified public accountant or certified accurate by your firm's Chief Financial Officer.
6. Please confirm that you, and any subcontractors, have at a minimum the following insurance coverage:
  - Commercial General Liability Insurance with a limit of not less than \$5,000,000 for each occurrence
  - Cyber liability insurance \$5M per occurrence, \$10M in aggregate
  - Workers Compensation & Employers Liability, with third party coverage
7. Legal Matters:
  - a. Please confirm you, and any applicable subcontractors are current on all required Securities and Exchange Commission ("SEC") and other regulatory filings.
  - b. Are you aware of any recent (since January 1, 2019), current or pending bankruptcy or insolvency proceedings; federal or state legal actions; or regulatory actions by or against your firm or any proposed subcontractor?
8. Please confirm that you as Program Manager will provide all of the required Services described in this RFQ. Identify any Services you cannot provide.

## **Section 2. Compliance, Administration and Recordkeeping**

1. Describe how you will ensure the Plan complies with all applicable State and federal laws and regulations, including Section 529 and related Internal Revenue Service ("IRS"), SEC and MSRB guidance.
2. Describe your Section 529 recordkeeping system. How long have you used the current system? Are you contemplating installation of a new system in the near future? If yes, describe.
3. The successful Respondent must provide at least quarterly Plan reports to VSAC and fulfill requests for ad hoc reports on a periodic basis. Please confirm that you will be able to comply with this requirement and provide sample(s) of the quarterly reports.
4. Describe any access VSAC would have to query VHEIP customer data.
5. Provide the most recent SOC 1 report or other similar audit completed for Services, including relevant subcontractor SOC 1 reports.

6. Describe your ability to produce an annual data file of contributions by Vermont taxpayers to the Vermont Department of Taxes.
7. Describe how you can support advisor access, that allows customers to add an authorized agent access to their account to perform services from receiving duplicate copies of account statements to making contributions, changing future allocations, requesting rebalancing, initiating withdrawals, managing banking and payment information, and changing the account owner or beneficiary's contact information.

### Section 3. Customer Call Center and Related Services

1. Describe the Customer Call Center and related Services (e.g., email, live chat) you are proposing and confirm you are able to satisfy the requirement that they be available Monday through Friday (excluding New York Stock Exchange holidays) during the hours of 8am EST to 5pm EST at a minimum.
2. Provide standard Call Center reports, for the last two complete quarter ends, including information such as: abandon rate, answered rate, speed to answer, average call wait time, talk time, hold time and other standard call center statistics that are being monitored. Confirm VSAC would also have access to these reports during the term of the Management Agreement, and at what frequency.
3. Provide information on your most recent Net Promoter Score (NPS) (B2B and/or B2C) and explain how it reflects the quality of your customer service.
4. Describe how you respond to customer questions regarding the investment option they should choose as they sign up or otherwise manage their accounts.

### Section 4. Investment Management

1. Please demonstrate that your firm is properly licensed to provide investment management services and that you have at least five years of experience with and manage at least \$10 billion in AUM generally in 529 or similarly structured products.
2. As described earlier in this RFQ, there are currently six investment options for Plan Participants. Given the priorities discussed earlier in this RFQ, please complete the following table showing the proposed investment options:

Investment Option Name	Underlying Funds in the Option	Ticker for Underlying Fund	Expense of Underlying Fund	Expense of Investment Option

Please feel free to include an explanation regarding why you have chosen your particular design and investments, and why you think these changes will improve the Plan.

3. For the proposed investment options outlined in the previous question, please complete the table provided in Exhibit 3 to show how our current investment options will map to those proposed in Question 2. Add rows as needed.
4. Please indicate any limits on (a) the percentage of assets that may be invested with non-proprietary investment managers and (b) revenue sharing arrangements, if any, from non-proprietary funds.
5. VSAC expects to receive investment performance reviews quarterly, with an annual review of the entire investment lineup and meetings with investment managers as requested. Please confirm that you will comply with these expectations.

### Section 5. Marketing and Distribution

1. Please describe any marketing support you may provide VSAC in assisting us in marketing VHEIP, specifying the types of materials, data and analyses you will generate or that VSAC will have access to.
2. Please indicate whether you will provide the Plan with any monetary support for marketing efforts. If so, please complete the following table showing your commitment for each year of the contract term:

Contract Year	Marketing Commitment
1	
2	
3	
4	
5	

### Section 6. Marketing Website and Online Account Portal – Development and Maintenance

1. Describe the transactional capabilities available on the online account portal.
2. Will you make a prepaid debit card available to Plan participants? If so, describe its features and cost, if any. Identify the subcontractors who will provide the debit card services.
3. Do you offer electronic payments to eligible institutions? Describe.
4. Describe security protocols you implement to protect sensitive data.
5. Describe any ability VSAC will have to make content updates to the public marketing website and online account portal.
6. Describe any mobile application available for customers or other innovative tools you offer. If you do not currently offer a mobile application, when will one be available?



## Section 7. Fraud and Cyber-Security

1. Please describe your approach to detecting and preventing different types of financial fraud, including how you identify suspicious activities or transactions indicative of fraud.
2. Please provide an overview of your company's cybersecurity program.
3. Has your firm or any proposed subcontractor had a data breach or other major cybersecurity incident since January 1, 2019? What are your notification protocols for such events?

## Section 8. Cost of Services

Currently, the total fees for VHEIP participants are 39 basis points, including underlying fund fees. It is VSAC's expectation that the total fees for participants will decrease while maintaining or increasing the funds available for VSAC marketing.

1. Complete the following chart:

Fee Component	Percent (Basis Points)	Dollars
Program Management Fee (Currently 0.16%-0.21%)		
VSAC Administrative Fee (Currently 0.05%)		
VSAC Marketing Fee (Currently 0.09%)		
Other (please specify)		
<b>Total Fees (not including underlying fund fees)</b>		

2. Please indicate whether the fees you have specified in Question 1 above will be reduced as the asset base or number of accounts increases and provide the exact break-points for those fees.
3. Using the table below, identify any additional expenses or costs associated with your proposal to provide the Services and whether the additional costs are charged in basis points or in dollars. Any expense or cost not identified in this Section may not be considered.

Fee Type (include description if necessary)	As applicable:	
	Dollar Fee	Basis Point Fee
Paper Delivery		
Wire Transfer		
Overnight Delivery		

Fee Type <i>(include description if necessary)</i>	As applicable:	
	Dollar Fee	Basis Point Fee
Debit Card		
Rejected Contribution		
Rollovers <i>(specify which type(s))</i>		
Request for Historical Statements		
Re-issuance of Check		
Electronic Payment to Eligible Institution		
Other <i>(add rows as necessary)</i>		

## Section 9. Conversion Services

1. Attach a timetable to implement the Services that you are proposing no later than June 1, 2025. Please explain the factors that would prevent you from committing to a June 1, 2025 conversion.

## List of Exhibits

Each Respondent should include the following Exhibits with its submission:

- 1 RFQ Cover Sheet
- 2 Bidder Certifications
- 3 Investment Option Mapping

**Exhibit 1**



**Request for Qualifications  
for  
529 Program Management Services  
\_\_\_\_\_, 2024**

**Cover Sheet**

<b>Firm Name</b>	
<b>Contact Person (name/position)</b>	
<b>Mailing Address</b>	
<b>Telephone</b>	
<b>Fax</b>	
<b>E-Mail Address</b>	
<b>Federal Tax ID Number</b>	
<b>Submission Date</b>	

This cover sheet should be attached as the first page of the proposal.

## Exhibit 2

### Certification and Other Terms/Conditions

The signing individual certifies that:

1. They are authorized to contract on behalf of the organization offering this proposal.
2. The costs in this proposal have been arrived at independently, without consultation, communication, or agreements made for the purpose of restricting competition.
3. There has been no attempt by the signing individual or anyone in their organization to discourage any potential applicant from submitting a proposal.
4. They have read and understand all the information in this Request for Qualifications.
5. The Respondent maintains the insurance coverage indicated below and will provide a certificate of insurance upon request:
  - Commercial General Liability Insurance with a limit of not less than \$5,000,000 for each occurrence,
  - Cyber liability insurance \$5M per occurrence, \$10M in aggregate, and
  - Workers Compensation & Employers Liability, with third party coverage.
6. Responsibilities under this engagement will not be delegated or subcontracted to a third party without the prior written consent of VSAC.

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**Signature (Name & Title)**

**Date**

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**Firm Name**

### **Exhibit 3**

See attached excel spreadsheet.