

## AGENDA

### COMMITTEE ON HUMAN RESOURCES/INSURANCE

March 2, 2010  
Aldermen Shea, Ludwig,  
Ouellette, Arnold, Craig

5:30 PM  
Aldermanic Chambers  
City Hall (3<sup>rd</sup> Floor)

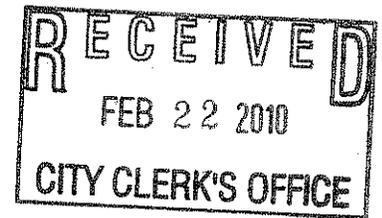
1. Chairman Shea calls the meeting to order.
2. The Clerk calls the roll.
3. Summaries of outstanding arbitrations and grievances submitted by Jane Gile, Human Resources Director.  
*(Note: Provided for informational purposes only; no action required.)*
4. Communication from Mayor Gatsas regarding changes to the Fire Department's complement.  
*(Note: A revised complement listing submitted by Jane Gile, Human Resources Director is attached.)*  
**Ladies and Gentlemen, what is your pleasure?**
5. Proposed policy for the City relative to the use of Volunteers and Unpaid Student Interns submitted by Jane Gile, Human Resources Director.  
**Ladies and Gentlemen, what is your pleasure?**
6. Communication from Jane Gile, Human Resources Director, regarding Health Insurance Buyback Program.  
**Ladies and Gentlemen, what is your pleasure?**

**TABLED ITEM**

*A motion is in order to remove this item from the table.*

7. Communication from Jane Gile, Human Resources Director, recommending the City enter into a fiduciary partnership program and advisory services agreement with Mesirow Financial Investment Management, Inc. This agreement will in effect provide the necessary indemnification required by Mesirow.  
*(Note: A representative from Hartford Life is requested to present the costs associated with the recommendation.)*
  
8. If there is no further business a motion is in order to adjourn.

Jane Gile  
Human Resources Director



**CITY OF MANCHESTER**  
**Human Resources Department**

February 22, 2010

To: Human Resources and Insurance Committee  
From: Jane E. Gile, HR Director   
Re: INFORMATIONAL ONLY: Summary of Grievances and Arbitrations

Attached is a summary document of union grievances and arbitrations that are outstanding and/or settled thus far in Calendar Year 2010.

Currently, eighteen cases have yet to be finalized. One arbitration decision was received, 4 cases have reached an agreeable resolution, two cases were held in abeyance until a future date, and two pre-arbitrations have been scheduled. There are four upcoming arbitration hearings before an arbitrator scheduled – two in March, one in June and one in July.

February 2010  
**Outstanding and Settled Grievances and Arbitrations**  
 As of February 22, 2010

UNION	#	GRIEVANCE	POTENTIAL IMPACT	STATUS	ARB#/DATE	OUTCOME
AFSCME	1-09	Denied Plus Rate – PW decision to give to more qualified employee	Precedent	Arbitration	G-0008-3 3/24/10	
AFSCME	2-09	Anthem RX co-pays – higher than CIGNA for certain RX	Precedent	Arbitration	E-0008-6 7/7/10	
AFSCME	3-09	Grieving termination	Job reinstatement	Arbitration	G-0008-5 6/4/10	
AFSCME	4-09	OT for loader not given by grade classification	Payment of 5 hours @ OT rate			Resolved by Mgmt
AFSCME	1-10	Unpaid Absence and health insurance	Precedent/cost	Pre-Arb 2/9/10	Held in abeyance 3/23/10	
AFSCME	2-10	Grade classification violation	Precedent/cost	Pre-Arb 2/9/10	Held in abeyance 3/23/10	
AFSCME	3-10	Job Posting Violation	Precedent/job	Pre-Arb 2/9/10		Resolved by the parties
AFSCME	4-10	Employee Paycheck Issue	Procedural	Pre-Arb 2/9/10		Resolved by Parties
AFSCME	5-10	Training not given	Procedural	Pre-Arb 2/9/10		Resolved by the Parties
AFSCME	6-10	Payment of OT	Precedent/cost	Pre-Arb 3/23/10		
AFSCME	7-10	Bi-weekly Payroll	Precedent/cost	Denied – has not occurred		
AFSCME	8-10	Snow Events and Stand-By	Procedural	Pre-Arb 3/23/10		
IAFF	G-07-10-124	HAZ-Mat Physicals		On- hold		

**February 2010  
Outstanding and Settled Grievances and Arbitrations  
As of February 22, 2010**

IAFF	1-10	Sick leave deductions	Precedent/cost	Pre-Arb	
MPPA	1-09	Violation of Article 13.1 Step increase	Unfunded wages - YD scale issue	Arbitration	Union 1/8/10
USW	5-07	Inventory Specialist	Cost/ precedent	Superior Ct.	
USW	2-09	Department Head denied tuition assistance request for EMT course	Precedent Cost of course	Arbitration 3/30/10	G-0103-1 11/24/09 G-0058-7 03/30/10
USW	7-09	Employee alleges he was denied Weingarten Rights		Pre-Arb 12/3/09	City position Not subject to Arbitration
USW	1-10	Bi-weekly Payroll	Precedent	Denied - has not occurred	
USW	2-10	Drug and Alcohol Testing payments	Precedent	Denied - not yet occurred	
USW	3-10	Union not notified re: change in work schedule for member	Precedent	Denied by Mgmt	

PDSS	1/27/10	Demand to Negotiate - Biweekly Payroll		Pre-mature	
Welfare	1/27/10	Demand to Negotiate - Bi-weekly Payroll		Pre-mature	



## CITY OF MANCHESTER

*Theodore L. Gatsas*

*Mayor*

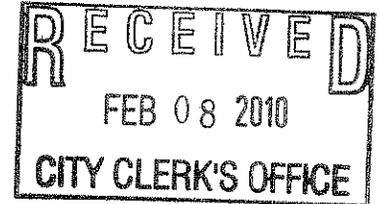
**TO:** Alderman William Shea, Chair  
Human Resources and Insurance Committee

**FROM:** Theodore L. Gatsas *T.L.G.*  
Mayor

**CC:** Chief James Burkush ~ Manchester Fire Department  
Jane Gile ~ Director Human Resources

**Date:** February 8, 2010

**RE:** Manchester Fire Department: hiring & compliment change



I have attached a correspondence between Chief Burkush and myself regarding the promotion of two Firefighters to Lieutenants in place of a Captain. This request requires a compliment change which needs approval by your Committee and the Board of Mayor and Aldermen.

I am in full support of this proposal and respectfully request the support of the Committee.

In Board of Mayor and Aldermen  
Date: 2/16/10  
On motion of Ald. O'Neil  
Seconded by Ald. Lopez  
Voted to refer to the Committee on  
Human Resources/Insurance.

*[Signature]*  
City Clerk



**CITY OF MANCHESTER**

*Theodore L. Gatsas*

*Mayor*

February 5, 2010

Chief James Burkush  
Manchester Fire Department  
100 Merrimack Street  
Manchester, NH 03101

RE: Hiring Request dates February 4, 2010

Dear Chief Burkush,

I have APPROVED the attached request to promote two Firefighters to Lieutenant positions to replace Captain Gary Rogier upon his retirement March 1, 2010.

If you have any questions, or wish to discuss this matter further, please do not hesitate to contact me.

Regards,

Theodore L. Gatsas  
Mayor

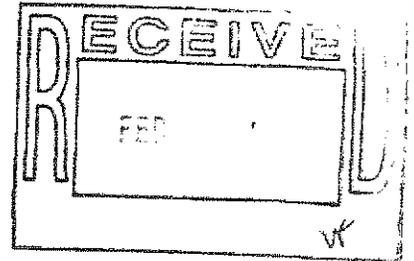
cc: Jane Gile, Human Resources Director

TLG/swp

James A. Burkush  
Chief of Department



**City of Manchester**  
*Fire Department*



February 4, 2010

Honorable Mayor Theodore Gatsas  
One City Hall Plaza  
Manchester, New Hampshire 03101

Dear Mayor Gatsas:

As you are aware, Captain Gary Rogier will retire from the Manchester Fire Department on March 1, 2010. As a cost saving measure, we are requesting to promote two Firefighters to Lieutenant positions instead of promoting a Captain.

If you wish to discuss this matter, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive that reads "James A. Burkush".

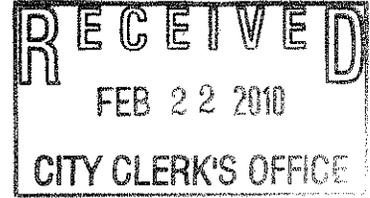
James A. Burkush  
Chief of Department

Handwritten initials "OK" above a larger signature "J.G.".

cc: Jane Gile, Human Resource Director

JAB: llm

Jane Gile  
Human Resources Director



## CITY OF MANCHESTER Human Resources Department

February 22, 2010

Alderman William Shea, Chair  
Human Resources and Insurance Committee  
City of Manchester, NH 03101

RE: Manchester Fire Department: Change in Complement

Dear Alderman Shea:

Mayor Gatsas approved the request of Fire Chief Burkusk to promote two firefighters to lieutenants upon the retirement of Captain Gary Rogier on March 1, 2010.

The Human Resources Department understands that the intent of the approval is to retain the same number of positions in the Department. Therefore, the actual composition is changed in that the number of Captains is reduced by one and the number of firefighters is reduced by one. Two lieutenants are added to the complement.

The revised complement is as follows:

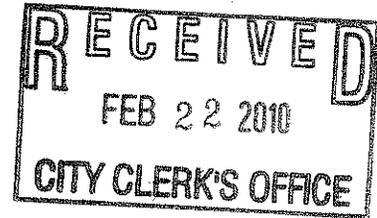
<u>Current</u>	<u>Revised</u>
9060 Fire Captain 14	9060 Fire Captain 13
9050 Fire Lt. 43	9050 Fire Lt. 45
9040 Firefighter 163	9040 Firefighter 162

Human Resources concurs with the approval.

Respectfully submitted,

Jane E. Gile, SPHR  
Human Resources Director

Jane Gile  
Human Resources Director



## CITY OF MANCHESTER Human Resources Department

February 8, 2010

Alderman William Shea, Chair  
Human Resources and Insurance Committee  
City of Manchester, NH 03101

RE: *Volunteers and Unpaid Student Interns*

Dear Alderman Shea:

Attached is a copy of the proposed policy for the City of Manchester relative to the use of Volunteers and Unpaid Student Interns.

Background: Recently, a department head wanted to use a volunteer in their office to perform certain functions. The only policy that HR was able to retrieve was a policy that dated back to 1993. At that time, the City had a relationship with two area non-profits that secured volunteers in municipal services. Neither of the agencies exists today. The proposed policy covers private individuals volunteering for the City and City employees who volunteer. It also covers the use of unpaid student interns in city departments. It is the understanding of HR that departments are using volunteers and unpaid student interns; although there is no formal process to insure that their use is in compliance with state and federal law, notwithstanding that the appropriate background checks have been conducted relative to the placement of volunteers in city services. While volunteers provide invaluable service to the City of Manchester, it is important that the City manages its risks by conducting proper screening and placement of approved applicants.

Further, it is understood that volunteer service assignments in the City of Manchester must not replace work performed by a paid employee or bargaining unit member.

Recommendation: That the policy on Volunteers and Unpaid Student Interns be adopted.

Sincerely,

Jane E. Gile  
Human Resources Director

## VOLUNTEERS AND UNPAID STUDENT INTERNS

To insure our compliance with state and federal law, the City of Manchester has established the following procedure to follow when using the services of volunteers and unpaid student interns.

### VOLUNTEERS

Volunteers may fall into one of two categories, defined as follows:

- 1) Private Individuals Not Employed by the City: The volunteer is an individual who is not employed by the City of Manchester or any other government agency. The volunteer donates hours of service for civic, charitable or humanitarian reasons. The services are performed without promise, expectation, or receipts of compensation for services rendered, and are free from coercion or pressure. The volunteer assists staff with a specific task, limited only by prudent judgment and by legal and ethical considerations.
  - a. A *Volunteer Request* must be completed by the department and forwarded to Human Resources (Appendix A).
  - b. The volunteer must complete a *Volunteer Application* (Appendix B).
  - c. The supervisor or department head must obtain three favorable references for each private volunteer.
  - d. A criminal background check is required for each volunteer who works with youth, elderly or disabled individuals.
  - e. A motor vehicle check is required for each volunteer whose duties involve driving a vehicle.
  - f. Once approved, the volunteer and Department Head sign the *Volunteer Waiver* (Appendix C). A copy is filed with HR before volunteer services begin.
  
- 2) City of Manchester Employees: City of Manchester employees who volunteer to perform services for the City of Manchester are considered volunteers if:
  - a. They receive no compensation or are paid only reasonable benefits, nominal fees, or for expenses to perform the volunteers services; and
  - b. They are performing services unlike those for which they normally would be employed.
  - c. They complete the *Volunteer Service Statement & Agreement* available from and to be returned to the HR Department (Appendix D).
  - d. A favorable recommendation must be obtained from the employee's department head and/or division head.
  - e. A criminal background check and/or motor vehicle check is required if indicated by the type of volunteer service rendered.Employees who meet the above criteria are not eligible for overtime pay resulting from the volunteer work. Individuals who do not meet the above criteria are considered employees, not volunteers, and must be compensated as employees.

## UNPAID STUDENT INTERN/TRAINEE

An unpaid student intern means a college or university student who chooses to intern at the City of Manchester. It may also mean a high school student whose program is registered with the NH Department of Labor in accordance with RSA 279:22-aa, High School and Post Secondary Students, Rule 805. An unpaid student intern/trainee performs services primarily for his or her own benefit, does not displace a regular employee, does not provide an "immediate advantage" to the City; and is not entitled to a job. Student trainees, such as interns, are considered volunteers and are not City of Manchester employees. Interns receiving compensation for work performed are considered temporary employees, thus departments must adhere to hiring procedures.

For an individual to be considered an unpaid intern, criteria a. through f. must be met. If any of these conditions are not met, the student is not considered an intern under federal law. Instead, an employer-employee relationship may exist, and the student should receive compensation.

- a. The training, even though it involves actual City operations, is similar to that given at a vocational school. This does not mean that formal classes must be offered; however, students should be given a formal orientation to familiarize them with the department/division and with the types of tasks/issues handled.
- b. Training is for the benefit of the student. Students must be given substantive learning activities rather than routine office tasks, such as copying or running errands. Students/interns must not be used as substitutes for paid workers.
- c. The student does not displace regular employee, but works under close supervision. At least one staff person is assigned to supervise the student in the performance of the assigned tasks.
- d. The department that provides the internship/training derives not immediate advantage for the unpaid intern/trainee's activities and, occasionally, its operations may actually be impeded. Department staff members should expect to spend time providing instruction, supervision and feedback to the student to maximize his/her learning experience.
- e. The student is not entitled to a job at the end of the training.
- f. Both the student and the department understand that the student is not entitled to wages for the time spent training.

In addition to the federal requirements listed above, the following also must be met:

- a. The student intern/trainee must meet with the supervising employee(s) and/or the department head to discuss expectations and reach agreement on schedule, scope of work, supervision, evaluation and any and all other requirements pertinent to the unpaid internship.
- b. The supervising employee and/or department head must understand what the specific requirements of the school's internship program are.
- c. The supervisor or department head must obtain one favorable reference for each unpaid student intern/trainee. A sample reference form is attached (Appendix E).

- d. The supervisor must train the unpaid student intern/trainee in specific tasks, as well as in City policies, rules, regulations and safety procedures.
- e. A criminal background check is required for each unpaid student intern/trainee who works with youth, elderly or disabled individuals.
- f. A motor vehicle check is required for each unpaid student intern/trainee who duties involve driving a vehicle.\*
- g. Once the unpaid student internship is approved, the student and Department Head sign the *Student Intern/Trainee Volunteer Waiver* (Appendix C). The form is to be returned to Human Resources before the internship begins.

\*Student interns/trainees may receive mileage reimbursement only for City of Manchester activities that require the use of their own vehicles. Interns under the age of 18 are not allowed to use personal vehicles for City business.

VOLUNTEER SERVICE ASSIGNMENTS MUST NOT REPLACE WORK PERFORMED BY A PAID EMPLOYEE OR BARGAINING UNIT MEMBER.

Jane Gile  
Human Resources Director



## CITY OF MANCHESTER Human Resources Department

### VOLUNTEER REQUEST

This request will be kept active until you notify us of any changes in its status. It will be shared with potential volunteers who contact us. The decision to accept or refuse a referring volunteer is solely the responsibility of the agency requesting volunteer assistance.

PLEASE USE A SEPARATE REQUEST FORM FOR EACH VOLUNTEER ASSIGNMENT

Department \_\_\_\_\_

Address \_\_\_\_\_ Phone \_\_\_\_\_

Name of volunteer's supervisor \_\_\_\_\_

Volunteer assignment title \_\_\_\_\_

Location of volunteer assignment: \_\_\_\_\_ Dept \_\_\_\_\_ Other \_\_\_\_\_

Minimum age \_\_\_\_\_ Number of volunteers needed \_\_\_\_\_

Is there a minimum commitment you would like for this assignment?

\_\_\_\_\_ No \_\_\_\_\_ Yes - \_\_\_\_\_ 1-3 months \_\_\_\_\_ 3-6 months \_\_\_\_\_ 6 months-1 year

Start date \_\_\_\_\_ Ending date \_\_\_\_\_

Please describe, in detail, the volunteer service assignment. List specific tasks and duties. Specify type of office equipment to be used. (Attach additional sheet if necessary.)

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CONTINUED ON OTHER SIDE

Are there any qualifications required? (Educational experience, skills, etc.)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Does this position require screening?  
If yes, please explain.

\_\_\_\_\_  
\_\_\_\_\_

Please check the days and times you need a volunteer for this assignment.

	MORNING	AFTERNOON	EVENING
Monday	_____	_____	_____
Tuesday	_____	_____	_____
Wednesday	_____	_____	_____
Thursday	_____	_____	_____
Friday	_____	_____	_____
Saturday	_____	_____	_____
Sunday	_____	_____	_____

Benefits (Check all that apply.)

- \_\_\_\_\_ Specialized training
  - \_\_\_\_\_ Recognition event
  - \_\_\_\_\_ Free parking
  - \_\_\_\_\_ Letter of recommendation
- \_\_\_\_\_ Other (please specify)  
\_\_\_\_\_  
\_\_\_\_\_

THIS VOLUNTEER SERVICE ASSIGNMENT WILL NOT REPLACE WORK PERFORMED BY A PAID EMPLOYEE OR BARGAINING UNIT EMPLOYEE.

Authorized Signature \_\_\_\_\_ Date \_\_\_\_\_

-----  
(for office use)

\_\_\_\_\_ Approved by City of Manchester Human Resources Department

\_\_\_\_\_ Date

I have read, and understand, the volunteer service assignment described above.

\_\_\_\_\_  
Volunteer's signature

\_\_\_\_\_  
Date



HUMAN RESOURCES DEPARTMENT VOLUNTEER APPLICATION  
 ONE CITY HALL PLAZA CITY OF MANCHESTER NH  
 MANCHESTER, NH 03101-4000 EQUAL OPPORTUNITY EMPLOYER  
 Tel: (603) 624-6543 TTY/Voice Fax: (603) 628-6065  
[www.ManchesterNH.gov](http://www.ManchesterNH.gov) Applicant Please Complete ▶

NAME: \_\_\_\_\_  
 ADDRESS: \_\_\_\_\_  
 CITY/STATE: \_\_\_\_\_  
 ZIP: \_\_\_\_\_  
 DATE: \_\_\_\_\_  
 PHONE: \_\_\_\_\_  
 SS#: \_\_\_\_\_

All statements made by applicants for employment on this application form will be checked for accuracy. We offer equal employment to all persons without regard to race, color, religion, age, sex, national origin, disability, marital or veteran's status or any other legally protected status.

**Volunteer Position Title:**

\_\_\_\_\_ Full-time \_\_\_\_\_ Part-time \_\_\_\_\_ Temporary \_\_\_\_\_

Are you at least 18 years of age? Yes \_\_\_ No \_\_\_ Are you a US citizen? Yes \_\_\_ No \_\_\_

If not, do you have the legal right to work in the US? Yes \_\_\_ No \_\_\_

Have you ever worked for the City of Manchester? Yes \_\_\_ No \_\_\_ If yes, When? \_\_\_\_\_

What Department? \_\_\_\_\_ Supervisor \_\_\_\_\_

Are you currently employed? Yes \_\_\_ No \_\_\_ Why do you wish to volunteer? \_\_\_\_\_

TYPE OF SCHOOL	NAME AND ADDRESS OF SCHOOL	COURSE MAJOR	CIRCLE LAST COMPLETED YR	GRADUATE?	LIST DEGREE
HIGH SCHOOL			9 10 11 12	<input type="checkbox"/> Y <input type="checkbox"/> N	
TRADE/TECHNICAL			1 2 3 4	<input type="checkbox"/> Y <input type="checkbox"/> N	
COLLEGE			1 2 3 4	<input type="checkbox"/> Y <input type="checkbox"/> N	
POST GRADUATE			5 6 7 8	<input type="checkbox"/> Y <input type="checkbox"/> N	

Provide additional information such as special skills, equipment operation, languages, supervisory experience, training or other qualifications helpful to us in considering you for this position.

List other volunteer experiences, if applicable.

Agency Name \_\_\_\_\_ From \_\_\_\_\_ To \_\_\_\_\_  
 Address \_\_\_\_\_ Hours per week \_\_\_\_\_  
 Duties \_\_\_\_\_

Agency Name \_\_\_\_\_ From \_\_\_\_\_ To \_\_\_\_\_  
 Address \_\_\_\_\_ Hours per week \_\_\_\_\_  
 Duties \_\_\_\_\_

Have you ever been convicted of any crime/s that were not annulled in a court? (List all except minor traffic violations such as parking tickets) Yes \_\_\_ No \_\_\_ If yes, state citations, dates, courts and places where offense/s occurred \_\_\_\_\_

Valid Motor Vehicle Operator's License? Yes \_\_\_ No \_\_\_ What State? \_\_\_\_\_

Do you possess a Commercial Driver's License? Yes \_\_\_ No \_\_\_ Which? \_\_\_\_\_ What State? \_\_\_\_\_

List other valid licenses, registrations or certificates you possess \_\_\_\_\_

**WORK EXPERIENCE** (start with most recent or current employer and work back at least ten years). Resumes may be attached, but not in lieu of completing this section. If more space is needed, complete and attach a separate page.

Current Employer \_\_\_\_\_ Tel. # \_\_\_\_\_ Part time \_\_\_ Full Time \_\_\_  
Address \_\_\_\_\_ Date Hired \_\_\_\_\_ Date Left \_\_\_\_\_  
Supervisor (Name/Position) \_\_\_\_\_ Number of People You Supervise \_\_\_\_\_  
Job Title \_\_\_\_\_ Duties \_\_\_\_\_  
Reason for leaving \_\_\_\_\_

Previous Employer \_\_\_\_\_ Tel. # \_\_\_\_\_ Part time \_\_\_ Full Time \_\_\_  
Address \_\_\_\_\_ Date Hired \_\_\_\_\_ Date Left \_\_\_\_\_  
Supervisor (Name/Position) \_\_\_\_\_ Number of People You Supervise \_\_\_\_\_  
Job Title \_\_\_\_\_ Duties \_\_\_\_\_  
Reason for leaving \_\_\_\_\_

Previous Employer \_\_\_\_\_ Tel. # \_\_\_\_\_ Part time \_\_\_ Full Time \_\_\_  
Address \_\_\_\_\_ Date Hired \_\_\_\_\_ Date Left \_\_\_\_\_  
Supervisor (Name/Position) \_\_\_\_\_ Number of People You Supervise \_\_\_\_\_  
Job Title \_\_\_\_\_ Duties \_\_\_\_\_  
Reason for leaving \_\_\_\_\_

Have you ever been discharged or asked to resign from any job? Yes \_\_\_ No \_\_\_ Explain \_\_\_\_\_

Please provide three references (one personal and two professional). Please include name, address and phone number where they can be reached.

### APPLICATION AGREEMENT AND CERTIFICATION

I certify that the information given by me in this application is accurate and true to the best of my knowledge. My signature indicates authorization for the City of Manchester to check references and verify the above information.

SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_

Jane Gile  
Human Resources Director



**CITY OF MANCHESTER**  
**Human Resources Department**

**STUDENT TRAINEE/INTERN AND/OR VOLUNTEER WAIVER**

I certify that I am offering my services to the City of Manchester on a volunteer basis. I understand that I will receive no pay, benefits, or other privileges of employment of any kind for my services. I further understand that I am not eligible for unemployment compensation benefits when my volunteer assignment ends. I also certify that I have not been promised and have no expectation that I will receive a paid position as a result of my volunteer work.

I certify that I am a student at \_\_\_\_\_  
and that I intend that the proposed volunteer work be counted as academic course credit toward a recognized degree plan at this institution. However, I understand I must complete the work in a satisfactory manner and meet all requirements of the course to receive credit.

\_\_\_\_\_  
**Name**

\_\_\_\_\_  
**Department Assigned**

\_\_\_\_\_  
**Signature of Volunteer**

\_\_\_\_\_  
**Signature of Department Head**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Date**

City of Manchester  
New Hampshire

## Volunteer Service Statement & Agreement

Date \_\_\_\_\_, 201\_\_

I make this Statement and Agreement in order to provide, and be authorized to perform, the following uncompensated services to my community:

\_\_\_\_\_ under the direction of  
*nature & scope of services*

\_\_\_\_\_ between \_\_\_\_\_  
*Person with official oversight authority* *time period in which work to be performed*

In performing the specified volunteer service, I acknowledge:

- that I am 18 years of age or older and know of no reason, medical or otherwise, which would prevent me from performing the tasks required;
- that I have acquainted myself with what is required to perform those tasks and that I represent that I have the skill and ability to perform them;
- that I will perform the volunteer service in compliance with the standards and specifications established, or approved, by the City of Manchester and will honor the direction of the City of Manchester officials to suspend or terminate service.
- that I will be subject to a criminal background investigation, including fingerprinting as required by the State of New Hampshire, and a motor vehicle record check, if applicable.

Volunteer \_\_\_\_\_

Address \_\_\_\_\_

Telephone \_\_\_\_\_

Signature \_\_\_\_\_

REFERENCE REQUEST

STUDENT TRAINEE/INTERN CANDIDATE:

\_\_\_\_\_

FOR CONSIDERATION AS: Unpaid Student Trainee/Intern in \_\_\_\_\_  
Department

NAME/TITLE OF REFERENCE:

\_\_\_\_\_

COMPANY/TELEPHONE:

\_\_\_\_\_

\_\_\_\_\_

1. What is/was your professional relationship with him/her?
2. You were associated with him/her during what time period?
3. What was his/her title?
4. Did he/she have any problems doing the job as you (or the supervisor) wanted it done?
5. What would you say are his/her strong points?
6. Any areas you felt needed improvement?
7. How did she/he stand among his/her peers in terms of his/her accomplishments?
8. Did he/she initiate anything that was new or important?
9. Was there anything that he/she failed to accomplish?

10. Did she/he get along with others?
11. Can she/he explain his/her ideas to supervisors, peers, and subordinates?
12. Can she/he listen?
13. How is he/she best managed?
14. How does she/he operate under pressure?
15. How hard did he/she work? How would you categorize his/her work habits?
16. What type of work do you feel she/he is best suited for?
17. (If applicable) Why did she/he leave your company?
18. Would you work with him/her again, given the opportunity? Why or why not?

**HEALTH INSURANCE BUYBACK PROGRAM**

The Health Insurance Buyback Program offers a cash incentive to eligible City of Manchester employees who waive their right to enroll in the City's health insurance plan. Employees are encouraged to consider this program only when they have sufficient coverage elsewhere.

Effective July 1, 2010, the City agrees to provide a \$1500 cash incentive to eligible employees who do not enroll in the City's health insurance plan under the following conditions:

- 1) The eligible employee must show proof of valid alternative insurance that is NOT provided by another City employee or an employee of the Manchester School District.
- 2) New eligible employees may apply for this program when hired and current eligible employees can apply only during the open enrollment period.
- 3) Incentives are paid out at the end of the plan year (June). If the employee participates in the Buyback Program for less than a full year, the payment will be prorated for each month of participation.

Additionally:

- 1) Employees participating in the Buyback Program who wish to re-enroll in health insurance may do so during the open enrollment period with no waiting period.
- 2) Employees participating in the Buyback Program who involuntarily lose their other coverage due to a qualifying event may re-enroll in the City's health insurance plan with no waiting period.

To apply for the Health Insurance Buyback Program, the following form must be filed with the Human Resources Department upon hire or by a current employee during the open enrollment period.

Health Insurance Declination Form

Employees covered by certain collective bargaining agreements may not be eligible to participate in this program.

City of Manchester  
NEW HAMPSHIRE

**HEALTH INSURANCE DECLINATION FORM**

I, \_\_\_\_\_, hereby elect to decline participation in the City sponsored health insurance plan. In exchange for this election, the City shall pay me one thousand five hundred (\$1500.00) dollars.

This declination shall be effective only upon submission of valid proof of alternative health insurance coverage and eligibility status to the satisfaction of the Human Resources Department.

Said alternative coverage cannot be health insurance provided by another City employee or an employee of the Manchester School District.

It is understood that payment of the Health Insurance Buyback shall be made at the end of the plan year.

The payment of future buybacks shall be made only after valid proof of alternative health insurance and eligibility status at the time of open enrollment.

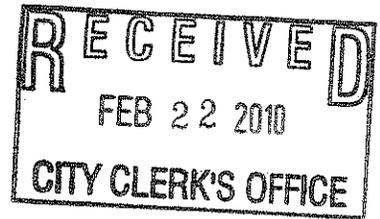
\_\_\_\_\_  
Witness

\_\_\_\_\_  
Date

\_\_\_\_\_  
Employee

\_\_\_\_\_  
Date

Jane Gile  
Human Resources Director



## CITY OF MANCHESTER Human Resources Department

February 8, 2010

Alderman William Shea, Chair  
Human Resources and Insurance Committee  
City of Manchester, NH 03101

RE: *Health Insurance Buyback Program*

Dear Alderman Shea:

Depending on the health insurance option chosen (POS or HMO), the City's current contribution towards the cost of health care can range from \$5816 to \$7545 annually for single coverage and \$15,646 to \$20,297 annually for family coverage. There are 1235 active employees on the City's self-funded health plan. This number does not include retirees under the age of 65 and COBRA individuals who are covered by the health plan.

The City has experienced extreme medical and pharmacy claim costs in the last year. In an effort to reduce these costs, a health insurance buyback is proposed. The buyback program offers a \$1500 cash incentive to employees who opt out of the City's plan and who can show valid proof of alternative coverage that is NOT provided by another City employee or an employee of the Manchester School District.

A similar program has been negotiated into 10 of 12 collective bargaining agreements. The design of that program differs from the proposed program in that union employees receive the incentive at the beginning of the plan year and, as a condition of receiving the incentive, union members cannot reenroll in the program during the year in which the incentive was paid - even in the event of loss of alternative coverage during the plan year. The union program stipulates that employees must drop city coverage; therefore members who are not currently enrolled in the health plan are not eligible for the stipend.

During the current plan year, the City paid \$15,000 in health insurance incentives to the 10 unionized employees who participated.

In an effort to increase participation, the City proposes a similar program that will be offered to non-affiliated employees and union members who have not negotiated the incentive into their collective bargaining agreements (MPPA and Airport). Using the above criteria of eligibility, 528 employees are eligible to participate. Currently, 24 employees in this eligibility group are

1 City Hall Plaza • Human Resources Department • Manchester, New Hampshire 03101 • (603) 624-6543 •  
FAX: (603) 628-6065

E-mail: [HumanResources@ManchesterNH.gov](mailto:HumanResources@ManchesterNH.gov) • Website: [www.manchesternh.gov](http://www.manchesternh.gov)

6-1

not enrolled in the City's health plan (some may be covered by another City employee or have coverage through a spouse's employer).

In order to receive the incentive, the eligible employee must provide proof of valid alternative coverage and eligibility status. Valid insurance cannot be provided by another City employee or an employee of the Manchester School District. The City will pay the buyback incentive in two payments: mid plan year and end plan year. The City will prorate the benefit for each month of participation, taking into consideration the need to re-enroll if there is a qualifying event, thereby protecting the health of the employee and/or their family.

Using a very conservative estimate of an additional 10 employees opting out of the City's health plan, reduced City contributions to health care would range from \$58,160 (if all declined the HMO single plan) to \$202,970 (if all ten employees opted out of POS family coverage). At either end of the spectrum, or any where in between, the City would pay out a total of \$15,000 in cash incentives to the 10 employee who opt out of coverage.

As you know, since the City self funds health insurance, the employer contribution does not necessarily equate to actual claims incurred by the subscriber's household. The current PEPY (per employee per year) cost is \$12831.00; PEPY projections for next year are in the \$15,000 to \$16,000 range.

Recommendation: That the City adopt the Health Insurance Buyback Program with an effective date of 7/1/2010.

Respectfully submitted,

  
Jane E. Gile, SPHR  
Human Resource Director

City of Manchester  
NEW HAMPSHIRE

**HEALTH INSURANCE BUYBACK PROGRAM**

The Health Insurance Buyback Program offers a cash incentive to eligible City of Manchester employees who waive their right to enroll in the City's health insurance plan. Employees are encouraged to consider this program only when they have sufficient coverage elsewhere.

Effective July 1, 2010, the City agrees to provide a \$1 500 cash incentive to eligible employees who do not enroll in the City's health insurance plan under the following conditions:

- 1) The eligible employee must show proof of valid alternative insurance that is NOT provided by another City employee or an employee of the Manchester School District.
- 2) New eligible employees may apply for this program when hired and current eligible employees can apply only during the open enrollment period.
- 3) Incentives are paid out mid-plan year and plan year end. If the employee participates in the Buyback Program for less than a full year, the payment will be prorated for each month of participation.

Additionally:

- 1) Employees participating in the Buyback Program who wish to re-enroll in health insurance may do so during the open enrollment period with no waiting period.
- 2) Employees participating in the Buyback Program who involuntarily lose their other coverage due to a qualifying event may re-enroll in the City's health insurance plan with no waiting period.

To apply for the Health Insurance Buyback Program, the following form must be filed with the Human Resources Department upon hire or by a current employee during the open enrollment period.

Health Insurance Declination Form

Employees covered by certain collective bargaining agreements may not be eligible to participate in this program.

City of Manchester  
NEW HAMPSHIRE

**HEALTH INSURANCE DECLINATION FORM**

I, \_\_\_\_\_, hereby elect to decline participation in the City sponsored health insurance plan. In exchange for this election, the City shall pay me one thousand five hundred (\$1500.00) dollars.

This declination shall be effective only upon submission of valid proof of alternative health insurance coverage and eligibility status to the satisfaction of the Human Resources Department.

Said alternative coverage cannot be health insurance provided by another City employee or an employee of the Manchester School District.

It is understood that payment of the Health Insurance Buyback (\$1500.00) shall be broken down into two pro-rated payments; one at mid plan year and one at the end of the plan year.

The payment of future buybacks shall be made only after valid proof of alternative health insurance and eligibility status at the time of open enrollment.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Date

\_\_\_\_\_  
Employee

\_\_\_\_\_  
Date

10/5/09 Tabled

*Jane Gile*  
*Human Resources Director*



## **CITY OF MANCHESTER**

### **Human Resources Department**

September 25, 2009

Alderman Ted Gatsas, Chair  
Human Resources and Insurance Committee  
City of Manchester  
One City Hall Plaza  
Manchester, NH 03101

RE: Mesirow Financial Investment Management, Inc.

Dear Alderman Gatsas:

The City of Manchester offers an optional 457 retirement plan to its employees. It is a voluntary program whereby employees, through payroll deductions, contribute to a deferred compensation plan offered through The Hartford. The City does not contribute to the plan.

However, the City, as the plan sponsor, has a fiduciary responsibility for the investment options offered by The Hartford. With such diverse investment options from which to select, it has been determined that it makes good sense for the City to partner with Mesirow Financial Investment Management, Inc. The partnership with Mesirow, without additional cost to the City, provides independent professional guidance with asset allocation and fund selection by providing both qualitative and quantitative analysis. The expert resources available through Mesirow will assist the City greatly in making well-informed decisions relative to fund selection options/opportunities. Mesirow will also act as co-fiduciary on their investment recommendations.

Attached is a document that explains the fiduciary partnership program as well as the Advisory Services Agreement. The later has been reviewed by the City Solicitor. The agreement calls for the plan sponsor to indemnify Mesirow. Only the BMA has the authority to grant indemnification. Therefore, authorization to enter into this agreement with Mesirow is required.

Sincerely,

Jane E. Gile, SPHR  
Human Resources Director

1 City Hall Plaza • Human Resources Department • Manchester, New Hampshire 03101 • (603) 624-6543 •  
FAX: (603) 628-6065

E-mail: [HumanResources@ManchesterNH.gov](mailto:HumanResources@ManchesterNH.gov) • Website: [www.manchesternh.gov](http://www.manchesternh.gov)

## FIDUCIARY PARTNERSHIP PROGRAM

As a plan sponsor your goal is to implement a sound retirement program that offers your employees security, diversification and potential for growth. But with so many investment options to choose from, this task can be overwhelming. Your plan provider offers a strong foundation of diverse investment selections, yet without the tools and resources to adequately evaluate funds, you may be ill prepared to select the investments most appropriate for your participants.

Mesirow Financial Investment Strategies partners with you to develop an investment line up that enables plan participants to build prudent investment portfolios. With extensive market knowledge and cutting-edge analysis we provide professional guidance in creating your 401(k) program, including:

- Assistance with investment selection
- Fiduciary partnership relating to the investments selected for your program
- Quarterly investment monitoring and reporting
- Security in knowing that an independent, unbiased, third party is overseeing the fund selection for your retirement program

### **Fiduciary Partnership**

Your role as a plan sponsor comes with a heavy burden of accountability for the investment options you offer to participants. As experts in fund selection and asset allocation we are confident in our recommendations and agree to share fiduciary responsibility with you with respect to the investment selections on the Mesirow Financial Elite List.

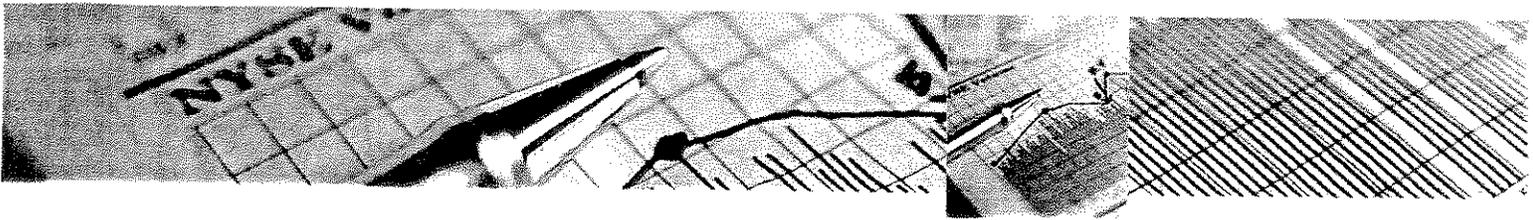
### **Innovative Asset Allocation and Fund Selection Methodology**

We narrow the playing field by providing you with a manageable subset of investment options to choose from. Our methodology centers on selecting funds that can enhance performance while staying true to the investment strategy and asset allocation policy. We consider both style-pure and multi-style managers in our analysis, thereby expanding the spectrum of funds available to participants. Using a unique blend of quantitative and qualitative analysis, it is our goal to measure manager performance and determine their forecasted potential for excess returns.

### **Step-by Step Process**

- Analyze the funds that comprise the universe of available investment options from your plan provider
- Apply quantitative analysis to classify funds into peer groups to identify those that have consistent style and can add excess return while controlling excess risk
- Determine preliminary list of selected funds categorized by asset class
- Perform qualitative review of fund managers using detailed questionnaires, manager interviews and holdings analysis
- Develop Mesirow Financial's Elite List, consisting of pre-selected investment options for your plan

*With extensive  
market  
knowledge and  
cutting-edge  
analysis  
we provide  
professional  
guidance in  
creating your  
401(k)  
program...*



### Quarterly Reporting and Monitoring

Mesirow Financial provides the monitoring and reporting services necessary to keep you apprised about the investment options offered to your plan participants.

Through our partnership, you will receive extensive resources to assist in maintaining and monitoring your retirement program. Our detailed Quarterly Report includes:

- An updated Elite List with the recommended funds and a report outlining any changes to the recommended fund from previous quarters
- Market commentary on the previous quarter
- Performance summaries of all Elite Funds
- Individual fund statistics and select holdings information
- Outstanding issues on both a qualitative and quantitative basis on any funds on the Elite List

### Recognized Industry Leaders

With 85 years of collective experience in the investment industry, our team has earned a reputation for integrity, service and performance among those in the asset allocation arena. In addition, we are supported by the comprehensive institutional investment management expertise of Mesirow Financial. From equities and fixed income to private equity, hedge funds and currency management, the firm is continually at the forefront in creating innovative and effective investment solutions for institutions all over the world.

### About Mesirow Financial

Mesirow Financial is a diversified financial services firm headquartered in Chicago. Founded in 1937, we are an independent employee-owned firm with offices across the country. With expertise in Investment Management, Investment Services, Insurance Services, Investment Banking, Consulting and Real Estate, Mesirow Financial has consistently met the financial needs of institutions, public sector entities, corporations and individuals. This year marks Mesirow Financial's 70th anniversary. For more information about Mesirow Financial, visit our Web site at [www.mesirowfinancial.com](http://www.mesirowfinancial.com).

### Investment Strategies Division

Mesirow Financial Investment Strategies is a division of Mesirow Financial Investment Management, Inc., an SEC registered investment advisor. The group provides proprietary asset allocation research, sub-advisory services, fund selection, investment strategy and consulting capabilities for institutional investors such as insurance companies, mutual fund complexes, broker/dealers, and 401(k) plan sponsors. Our team has more than 85 years of combined industry experience and maintains a proven history of delivering cutting-edge quantitative analysis and portfolio modeling services to a breadth of clients.

### For Further Information

about our capabilities,  
please contact:

**Mark Kowalczyk**  
MANAGING DIRECTOR

Telephone: 312-595-7280  
[mkowalczyk@mesirowfinancial.com](mailto:mkowalczyk@mesirowfinancial.com)

**Brian Nash**  
VICE PRESIDENT

Telephone: 312-595-7283  
[bnash@mesirowfinancial.com](mailto:bnash@mesirowfinancial.com)

**Jonathon Dues**  
REGIONAL MANAGER

Telephone: 312-595-7284  
[jdues@mesirowfinancial.com](mailto:jdues@mesirowfinancial.com)

Securities offered through Mesirow Financial, Inc. Member NYSE, SIPC.

Insurance services offered through Mesirow Insurance Services, Inc.

\* Interim Management services provided by Mesirow Financial Interim Management, LLC

350 North Clark Street • Chicago, IL 60610 • 312-595-6000 • [www.mesirowfinancial.com](http://www.mesirowfinancial.com)

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**Mesirow Financial Investment Management, Inc**  
**Advisory Services Agreement**  
**-City of Manchester-**

This Advisory Services Agreement (“**Agreement**”), which is made and entered into as of the date identified on Exhibit A (“**Effective Date**”), by and between Mesirow Financial Investment Management, Inc., an Illinois corporation (“**MFIM**”), and the Plan Sponsor identified on Exhibit A (“**Plan Sponsor**”).

**BACKGROUND**

The Plan Sponsor is the named fiduciary (as defined in Section 402(a)(2) of the Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”) or, if the Plan is not subject to ERISA, as otherwise defined or designated under the terms of the Plan’s governing documents) with respect to the employee benefit plan identified on Exhibit A (“**Plan**”) with the fiduciary authority and responsibility under the Plan for selecting and monitoring the investment funds to be offered under the Plan to Plan participants and beneficiaries (“**Participants**”). By separate agreement (“**Service Agreement**”), the Plan Sponsor has engaged Hartford Life Insurance Company (“**Service Provider**”) to provide recordkeeping and other administrative services with respect to the Plan.

The Plan Sponsor has determined that it is in the best interest of the Plan and its Participants to retain MFIM to provide advisory services to assist the Plan Sponsor in monitoring and/or selecting the investment options offered under the Plan. MFIM is willing to perform the advisory services provided under the terms of this Agreement.

Based on the foregoing, the Plan Sponsor and MFIM agree as follows:

**SECTION 1. SERVICES PROVIDED BY MFIM**

On the terms and conditions set forth in this Agreement, the Plan Sponsor hereby engages MFIM to assist the Plan Sponsor in the discharge of the Plan Sponsor’s duties with respect to the monitoring and/or selection of investment options under the Plan by providing the services described in this Agreement (the “**Services**”). MFIM shall provide the Plan Sponsor with the following Services:

**A. Investment Option Qualification**

Pursuant to an agreement between the Service Provider and MFIM, MFIM will review the investment options currently offered by the Plan Sponsor as listed in Exhibit B and outline the options that meet MFIM’s minimum investment criteria (the “**Qualified Investment List**”). Investment options currently offered by the Plan Sponsor that do not meet MFIM’s minimum investment criteria are not included in the Qualified Investment List. The Plan Sponsor understands and acknowledges that; (i) the initial review of the

options offered in the plan is limited to the asset classes and investment options currently offered in the plan as supplied to MFIM by the Service Provider, and (ii) the choice of appropriate asset classes and investment options for the Plan and its Participants are determined by the Plan Sponsor. Any changes, additions or deletions, to the investment options offered by the Plan Sponsor may be considered for inclusion on the Qualified Investment List provided that they meet MFIM's minimum investment criteria and are agreed to in writing by the parties.

**Investment Option Qualification Guidelines**

The Plan Sponsor agrees that it will offer investment options from and maintain investment options in each of the five Core Asset Classes outlined in Exhibit B; if the Plan Sponsor fails to do so, then this Agreement will terminate immediately, notwithstanding any provision of this Agreement to the contrary. If the Plan Sponsor does not offer at least one investment option in each of the five Core Asset Classes in the current line up, recommendations for the missing asset class(es) will be made by Mesirow Financial from the investment options available to the Plan through the Service Provider's standard plan recordkeeping platform.

**B. Investment Option Monitoring and Summaries**

MFIM will review the performance of the investment funds on the Qualified Investment List on a quarterly basis. Following the end of each calendar quarter, MFIM shall provide the Service Provider for distribution to the Plan Sponsor its quarterly review. The quarterly review will contain MFIM's market commentary on the previous quarter and a review of the funds on the Qualified Investment List that are in the P.O.L.I.C.E. Report (Performance, Organization, Legal, Investment Policy, Consistent Style, Expense). The Service Provider has agreed to provide each MFIM quarterly review to the Plan Sponsor within 90 days after the end of the quarter.

**C. Termination of Investment Options**

If for any reason MFIM should find it necessary to suggest removing an investment option from the Qualified Investment List, MFIM will issue a written report outlining its reasons for suggested removal of the investment option and the actions being taken for replacement including reasons for selecting the replacement if a suitable replacement fund is available. MFIM shall provide such written report to the Service Provider to send to the Plan Sponsor. MFIM will continue to monitor any fund removed from the Qualified Investment List for a 90-day period following the removal of the fund; after that 90-day period, the Plan Sponsor agrees that MFIM will have no obligation to continue monitoring the removed fund. If the Plan Sponsor determines that it will remove an investment option from the Plan, or add an investment option to the Plan, the Plan Sponsor understands that it must provide written direction and instructions to the Service Provider to

implement such change in the Plan's investment options and for consideration for inclusion in the Qualified Investment List.

**D. Investment Policy Statement**

MFIM will provide Plan Sponsor with an investment policy statement ("Investment Policy Statement") for the Plan. Plan Sponsor will provide MFIM with the necessary information to complete the Investment Policy Statement.

MFIM's authority and responsibility with respect to the Plan are as follows:

- E. MFIM's Fiduciary Status.** In performing the Services, MFIM is acting as a fiduciary as defined in Section 3(21)(A)(ii) of ERISA or, if the Plan is not subject to Title I of ERISA, MFIM is acting as a fiduciary to the Plan according to the same standards as would be applicable if the Plan were subject to Title I of ERISA. MFIM shall discharge its duties and obligations hereunder in accordance with the standard of care applicable under ERISA regardless of whether the Plan is subject to Title I of ERISA. In addition, if the Plan is not subject to Title I of ERISA, the parties agree that, for all purposes under this Agreement, the applicable ERISA standard of care (including relevant governmental regulations and judicial precedent) shall be the sole governing standard of care applicable to MFIM and the Services regardless of any state law that may apply to the Plan or the Plan Sponsor. MFIM will assume only the specific and limited fiduciary responsibility and liability attendant to the Services as set forth in this Agreement and will not be considered a fiduciary of the Plan for any other purpose.
- F. Qualifying for the Qualified Investment List.** The Plan Sponsor understands and agrees that MFIM's responsibility and authority for the Qualified Investment List are limited to the asset classes and investment options available to the Plan through the Service Provider's standard plan recordkeeping platform, and MFIM is under no obligation, and has no authority under this Agreement or otherwise, to select other asset classes or investment options for inclusion in the Qualified Investment List. In determining qualification for inclusion in the Qualified Investment List, MFIM will not consider any investment in stock or other property of the Plan Sponsor or its affiliates, other individual securities, self-directed brokerage accounts or investments other than mutual funds or other collective fund vehicles offered through the Service Provider's standard plan recordkeeping platform.
- G. Scope of Authority.** MFIM has no authority or responsibility with respect to: (a) the selection, monitoring, retention, or termination of asset classes or investment options available through the Service Provider's plan administration platform; (b) the management (except for the Services),

administration, valuation, or custody of Plan assets; (c) the administration of the Plan and the trust funding such Plan; (d) any investment decision of any nature whatsoever of the Plan Sponsor, another investment manager, Participant or other person with respect to the Plan or any account there under; (e) the performance of any other investment manager; (f) the failure of any other investment manager or fund manager to adhere to any of its policies and procedures governing investments; (g) any change in value in any or all of the Plan's assets; (h) any suitability determination, except any such determination related to the qualification of investment options for inclusion in the Qualified Investment List; (i) any matters related to the fees charged to the Plan or the Participants for the use of the Qualified Investment List; and (j) except for the qualification of investment options for inclusion in the Qualified Investment List, the diversification of the Plan's assets. The foregoing matters are solely the responsibility of the Plan Sponsor or its agents (other than MFIM).

- H. **Control of Qualified Investment List.** MFIM will retain exclusive control and discretion with regard to the development and maintenance of the Qualified Investment List. MFIM will retain sole control and discretion over the development of any investment methodologies needed to develop and maintain the Qualified Investment List. All decisions regarding the composition of the Qualified Investment List will be solely the responsibility of MFIM based on the investment funds available to the Client Plans through the Service Provider's recordkeeping system. MFIM will determine the Qualified Investment List through proprietary methodologies based on generally accepted investment principles. The investment methodologies used by MFIM in developing and maintaining the Qualified Investment List will be developed by MFIM independently and without regard to any potential benefit to the Service Provider, any other issuer of investment options available to the Plan or their affiliates. MFIM will update and maintain any systems within a reasonable timeframe to ensure that they continue to meet generally accepted investment principles. The Service Provider will assist in communications between MFIM and Plan Fiduciaries but will not in any way influence or otherwise be responsible for the development of the Qualified Investment List by MFIM and will not modify any advice or information provided by MFIM.
- I. **Results Not Guaranteed.** MFIM and its affiliates do not and cannot warrant the results that may be attained from the use of the Qualified Investment List by the Plan Sponsor. Nothing in this Agreement will be construed as making MFIM an insurer or guarantor of any benefit or result, financial or otherwise, as a result of the provision of the Qualified Investment List.

## SECTION 2. FEES AND PAYMENT OF FEES

**Fees.** The fees for the Services of MFIM under this Agreement are incorporated in the bundled fee payable to the Service Provider, and neither the Plan nor the Plan Sponsor will have any liability for additional fees payable to MFIM in respect of this Agreement.

In general, the fees payable to MFIM by the Service Provider or its affiliates are calculated as a basis point percentage of the Plan's asset value and may range from 0.5 basis points up to 2.50 basis points depending on the total assets from plans executing a contract for the MFIM Plan Fiduciary Service. The Plan Sponsor may request additional information about the fees paid to MFIM by the Service Provider or its affiliates relating to the Plan in writing or by use of the Service Provider's toll-free number.

### **SECTION 3. TERM AND TERMINATION**

**Term.** Unless otherwise terminated as described in this Section 3, this Agreement shall be for a term of one (1) year (the "Initial Term"), effective as of the first date assets are invested in funds offered by the Service Provider following the date set forth on the signature page of the Agreement, and shall be automatically renewed for additional one (1) year periods, unless either party shall deliver to the other party a written notice of non-renewal at least thirty (30) business days prior to the date such renewal would take effect.

**Termination.** Upon completion of the initial term, either party may terminate this Agreement, without reason, by providing the other party with thirty (30) business days' prior written notice.

The termination of this Agreement shall have no effect on any Service Agreement between the Plan Sponsor and the Service Provider. However, if such Service Agreement between the Plan Sponsor and the Service Provider terminates, then this Agreement shall also terminate.

### **SECTION 4. LIMITATION OF LIABILITY AND INDEMNIFICATION**

**Limitation of Liability.** MFIM MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL MFIM HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES. FURTHERMORE, MFIM'S LIABILITY FOR ANY DAMAGES HEREUNDER SHALL NOT EXCEED AN AMOUNT EQUAL TO TWO (2) TIMES THE TOTAL ANNUAL FEE PAID TO MFIM PURSUANT TO THIS AGREEMENT FOR THE CALENDAR YEAR IMMEDIATELY PRECEDING THE RELEVANT CLAIM (OR, IF THE RELEVANT CLAIM ARISES IN THE FIRST YEAR OF THE AGREEMENT, FOR THE FIRST YEAR). THIS PARAGRAPH SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

**Acts of Others.** Except as provided by ERISA and this Agreement, MFIM will not be liable for the acts or omissions of any other person in respect of the Plan and its Participants, including, but not limited to, any acts or omissions of the Plan Sponsor or the Service Provider.

**Force Majeure.** Neither party shall be in default or otherwise liable for any delay in or failure of its performance under this Agreement where such delay or failure arises by reason of any act of God, or any government or any governmental body, acts of the common enemy, the elements, strikes or labor disputes, or other similar or dissimilar cause beyond the control of such party.

**Indemnity by the Plan Sponsor.** The Plan Sponsor will indemnify, defend and hold MFIM and its affiliates, members, directors, officers, shareholders, employees, representatives, agents, attorneys, successors and assigns (collectively, the “**Mesirow Indemnified Parties**”) harmless from and against any and all claims, liabilities, obligations, judgments, causes of action, costs and expenses (including reasonable attorneys’ fees) arising from, out of or related to the Services or the Mesirow Indemnified Parties’ performance hereunder; provided, however, that the Plan Sponsor will not be liable to indemnify, defend and hold any Mesirow Indemnified Party harmless to the extent such liabilities, obligations, judgments, causes of action, costs and expenses were caused by a material breach of such Mesirow Indemnified Parties’ duties hereunder or the willful misfeasance, bad faith, gross negligence or reckless disregard of obligations or duties hereunder on the part of such Mesirow Indemnified Parties.

**Indemnity by MFIM.** MFIM will indemnify, defend and hold the Plan Sponsor and its affiliates, members, directors, officers, shareholders, employees, representatives, agents, attorneys, successors and assigns (collectively, the “**Plan Sponsor Indemnified Parties**”) harmless from and against any and all claims, liabilities, obligations, judgments, causes of action, costs and expenses (including reasonable attorneys’ fees) arising from, out of or related to a breach by MFIM of its duties in connection with the performance of Services hereunder; provided, however, that MFIM will not be liable to indemnify, defend and hold any Plan Sponsor Indemnified Party harmless to the extent such liabilities, obligations, judgments, causes of action, costs and expenses were caused by a material breach of such Plan Sponsor Indemnified Parties’ duties or the willful misfeasance, bad faith, gross negligence or reckless disregard of obligations or duties hereunder on the part of such Plan Sponsor Indemnified Parties.

## **SECTION 5. GENERAL PROVISIONS**

- A. **Form ADV.** MFIM is registered as an investment adviser under applicable federal law. Part II of MFIM’s Form ADV contains additional information regarding MFIM and its services. A copy of MFIM’s Form ADV Part II has been distributed to the Service Provider and the Service Provider has agreed to deliver this document to the Plan Sponsor prior to signature of this Agreement. The Plan Sponsor’s signature hereunder acknowledges receipt of MFIM’s Form ADV Part II.
- B. **Dispute Resolution.** Except in the event that injunctive relief is being sought, any dispute arising out of or related to the Agreement that is not settled promptly in the ordinary course of business or through senior management

negotiations, shall be resolved through mandatory binding arbitration consistent with the terms of Paragraph C in this Section 5.

- C. **Binding Arbitration.** Except in the event that injunctive relief is being sought, any controversy or claim arising out of or relating to the Agreement for the breach hereof which cannot be settled by the parties pursuant to Paragraph B in this Section 5, shall be settled by binding arbitration in accordance with the commercial arbitration rules of the American Arbitration Association (“AAA”) as set forth herein. The parties shall endeavor to appoint a single arbitrator, and failing that, each party may select an arbitrator with knowledge of the types of Services provided for under this Agreement. Selection shall be completed within twenty (20) days of the receipt of a demand for arbitration. If either party fails to select an arbitrator within such twenty (20) day period, the one selected shall act as sole arbitrator. If two arbitrators have been selected, the two arbitrators selected shall select a third within fifteen (15) days after their selection. If they fail to do so, the third arbitrator shall be selected by the AAA. The arbitrators shall set a date of hearing no later than sixty (60) days from the date all arbitrators have been selected and shall enter a decision within thirty (30) day of the end of the proceeding. The arbitration proceeding shall take place in Chicago, Illinois. The award of any arbitration shall be final, conclusive, and binding on the parties hereto. The arbitrators may award any legal or equitable remedy. The arbitration award shall include an award of reasonable attorneys’ fees to the prevailing party. Judgment upon any arbitration award may be entered and enforced in any court of competent jurisdiction.
- D. **Captions Not Determinative.** Titles and section headings herein are for convenient reference only and are not part of this Agreement.
- E. **Independent Contractors.** MFIM and the Plan Sponsor are independent contractors to one another. Nothing in this Agreement shall be construed to create a partnership, joint venture or agency relationship between both parties.
- F. **Notice.** All notices, including notices of address changes, required to be sent hereunder shall be in writing and shall be deemed to have been given when mailed by registered or certified mail, postage prepaid to the appropriate address below:

With respect to any service or process or legal notice:

Mesirow Financial Investment Management, Inc.  
350 N. Clark Street  
Chicago, IL 60610  
Attn: Investment Strategies Group

Including a copy to MFIM General Counsel at:

Mesirow Financial  
321 N. Clark Street

Chicago, IL 60610  
ATTN: General Counsel

With respect to address changes, customer service, and notice of termination:  
Regular Mail

Hartford Life  
Retirement Plans Group  
P.O. Box 1583  
Hartford, CT 06101-8913

With respect to notice to the Plan Sponsor:

The address and individual identified in the Exhibit A.

- G. **Severability.** In the event that any provision of this Agreement is held invalid by a court with jurisdiction over the parties, such provision shall be deemed to be restated to be enforceable, in a manner which reflects, as nearly as possible, the intent, and economic effect of the invalid provision in accordance with applicable law. The remainder of this Agreement shall remain in full force and effect.
- H. **Waiver.** The waiver by either party of any default or breach of this Agreement shall not constitute a waiver of any other or subsequent default or breach.
- I. **Modification.** No representation or promise hereafter made, nor any modification or amendment of this Agreement shall be binding unless in writing and executed by duly authorized agents of both parties.
- J. **Counterparts.** This Agreement must be executed with the signature of the Plan Sponsor and MFIM and shall be deemed binding for all purposes hereof. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all counterparts, together, constitute only one Agreement.
- K. **Assignment.** Neither party may assign this Agreement nor any of the rights or obligations granted hereunder without the other party's prior written consent.
- L. **Governing Law.** This Agreement shall be governed by and construed in accordance with ERISA and to the extent not preempted by ERISA, in accordance with the laws of the State of Illinois, without reference to its conflicts of law principles. ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT, INCLUDING ARBITRATION PROCEEDINGS, SHALL BE SO GOVERNED AND SHALL BE INSTITUTED IN COOK COUNTY, ILLINOIS, U.S.A. THE PARTIES HEREBY AGREE TO SUBMIT TO THE JURISDICTION OF, AND AGREE THAT VENUE IS PROPER IN COOK COUNTY, ILLINOIS FOR ANY ACTION OR PROCEEDING.

- M. **Survival.** The terms of Section 2, Fees and Payment of Fees; Section 3, Term and Termination; Section 4, Limitation of Liability and Indemnification; and Section 5, General Provisions shall survive the expiration or termination of this Agreement.
- N. **Authority.** The person signing this Agreement on behalf of each party has been properly authorized and empowered to enter into this Agreement.
- O. **Entire Agreement.** Any Exhibit to this Agreement is hereby incorporated into and forms a part of this Agreement. This Agreement, and any Exhibit hereto, constitutes the complete agreement between the parties and supersedes all previous or contemporaneous agreements, proposals, marketing materials, understandings, and representations, written or oral, with respect to the subject matter addressed herein. The "Background" included at the beginning of this Agreement are hereby incorporated into this Agreement by this reference thereto.
- P. **Limitation.** Nothing in this Agreement shall limit any rights the Plan Sponsor may have under applicable securities laws.

## SECTION 6. ACKNOWLEDGEMENT, ACCEPTANCE AND AGREEMENTS

Notwithstanding the Services provided under this Agreement, the Plan Sponsor acknowledges, understands, and agrees that:

- A. MFIM has not provided assistance or exercised any discretion or authority, and will not provide assistance or exercise any discretion or authority, with respect to the Plan Sponsor's selection of Hartford Life Insurance Company as the Service Provider or the investment options made available by the Service Provider.
- B. MFIM is responsible only for providing the Plan Sponsor with the Services specifically set forth in this Agreement and not any other services.
- C. MFIM has no authority or responsibility with respect to: (i) the implementation of the Qualified Investment List by the Plan Sponsor; (ii) the Service Provider's selection, monitoring, retention, or termination of asset classes or investment options available through the Service Provider's plan recordkeeping system; (iii) the management, administration, valuation, monitoring (except for MFIM's monitoring of investment options offered by the Service Provider on its plan recordkeeping service for purposes of determining the funds on the Qualified Investment List), or custody of assets of the Plan; (iv) the execution of any transactions involving Plan assets; (v) the allocation of Plan assets among investment options; (vi) any investment decision of any nature whatsoever of the Plan Sponsor, investment manager, or other person with respect to the Plan; (vii) the performance of any investment manager; (viii) the failure of any investment manager to adhere to any of its policies and procedures governing investments; (ix) any change in value in any or all of the Plan's assets; or (x) any suitability determinations.

- D. Neither MFIM nor the Service Provider shall have any discretionary authority for the selection of the funds offered under the Plan, and the Plan Sponsor shall retain all discretionary authority for determining the Plan's investment options.
- E. The Plan Sponsor shall maintain, at a minimum, an investment option from and in each of the five Core Asset Classes outlined in Exhibit B or this Agreement shall terminate immediately in accordance with Section 1.
- F. It is solely the responsibility of the Plan Sponsor to select and retain the Service Provider and to determine the appropriate mix and number of asset classes and investment funds to be made available under the Plan.
- G. MFIM is not a corporate affiliate of the Service Provider. MFIM provides consulting and other services to the Service Provider, for delivery to the Plan Sponsor, with respect to various matters, including the qualification of investment options for inclusion in the Qualified Investment List and certain other services provided by the Service Provider. MFIM receives compensation from the Service Provider for such services, in addition to any compensation that may be paid under this Agreement and similar agreements with other plans. MFIM or its affiliates also place property or casualty insurance, annuities or life insurance issued by the Service Provider or its affiliates. In some cases MFIM or its affiliate may be compensated for such placement by the Service Provider or its affiliates; in other cases, MFIM or its affiliates may be compensated by the purchaser. If during the term of this Agreement, the aggregate gross annual income of MFIM and its affiliates derived under its consulting or other agreements with or insurance placement fees paid by the Service Provider or its affiliates (together with any other income derived by MFIM and its affiliates from or in respect of any other business relationship with the Service Provider) will not exceed five percent (5%) of the aggregate gross annual income of MFIM and its affiliates, this Agreement will terminate. Neither MFIM, nor an affiliate of MFIM, shall manage any assets of a Service Provider mutual fund, collective trust fund, or other pooled investment vehicle if such management would cause the Services, the Qualified Investment List or such management to result in, or give rise to, a nonexempt prohibited transaction under Section 406 of ERISA as mutually and reasonably determined by MFIM and the Service Provider.
- H. The Service Provider is not responsible for the performance of the Services by MFIM under this Agreement and is not acting as an investment adviser to the Plan or the Plan Sponsor in respect of the Services. The Service Provider has agreed to provide certain administrative and other services to facilitate the Services provided by MFIM hereunder and has no authority, responsibility or discretion with respect to the determination of the investment options under the Plan. The Service Provider is not authorized to provide any investment advice to a Plan Sponsor in connection with the Qualified Investment List or in any manner amend, alter, modify or supplement the Services provided by MFIM hereunder. MFIM's performance under this Agreement is conditioned upon its receipt of those services by the Service Provider. Except for the

administrative and other services which the Service Provider provides in order to facilitate MFIM's Services under this Agreement, the rights, duties and responsibilities of the Service Provider are determined solely under the Service Agreement.

- I. In performing the Services, MFIM is not required to take into account, and will not have taken into account, any company stock fund, self-directed brokerage option, or any other investment options outside of the standard investment options offered by the Service Provider through its recordkeeping system. MFIM will not have any responsibility with respect to such company stock, self-directed brokerage option, or other non-standard investment options, and all decisions or actions with regard to such options shall be the sole responsibility of the Plan Sponsor.
- J. Services provided under this Agreement do not guarantee investment results which are better than those which could be obtained without the Services and do not otherwise guarantee future results.
- K. Services performed hereunder by MFIM will be based upon the information provided to MFIM by the Service Provider and the Plan Sponsor, including, but not limited to, financial and other information relating to the investment options available under the Plan, and any Service Provider-imposed ratio requirements for any particular type of investment options to be included under the Plan.
- L. The Plan Sponsor agrees to review, at least annually, the demographic of the Plan or other information necessary to determine the appropriateness of the Qualified Investment List chosen and make changes as necessary.
- M. For purposes of this Agreement, the Service Provider may (but is not required to) give the same effect to a telephonic instruction, voice recording, or any instruction received through electronic commerce from the Plan Sponsor as it gives to a written instruction, and the Service Provider's action in doing so shall be protected to the same extent as if such telephonic or electronic instruction were, in fact, a written instruction. Any instruction, notice, document, instrument or communication of any kind may be proved by original copy or reproduced copy thereof including, without limitation, a photocopy, a facsimile transmission, an electronic image or any other electronic reproduction, recorded tape, or other means acceptable to the Service Provider, as the case may be. If the Service Provider receives instructions or other information that are, in its opinion, incomplete or not clear, the Service Provider may request instructions or other information from the Plan Sponsor. Pending receipt of any such instructions or other information, the Service Provider shall not be liable to anyone for any loss resulting from any delay, action or inaction on its part.
- N. The Plan Sponsor consents to the Service Provider's electronic delivery of the reports listed in Section 1.C. (MFIM's market commentary on the previous quarter and a review of the funds on the Qualified Investment List which is in the P.O.L.I.C.E. Report (Performance, Organization, Legal, Investment

Policy, Consistent Style, Expense)) by means of a PDF file made available on the Internet not later than sixty (60) days after the end of each calendar quarter. The quarterly reports will be posted on the Plan Sponsor's Internet access to the Service Provider's recordkeeping system. The Plan Sponsor agrees to review these reports on a quarterly basis in order to determine the continued appropriateness of the Plan's investments.

- O. This Agreement may be retained, to the extent permitted by applicable law, in such form or forms as the Service Provider may elect including, without limitation, electronically, without the necessity of retaining an original or written copy. This Agreement and its signatures may be proved by original copy or reproduced copy, including, without limitation, a photocopy, a facsimile transmission, an electronic image or any other electronic reproduction.

**Mesirow Financial Investment Management, Inc. Agreement**

**EXHIBIT A**

Effective Date: \_\_\_\_\_

Plan Sponsor: \_\_\_\_\_

Plan: \_\_\_\_\_

The Plan Sponsor acknowledges having received, reviewed and selected the Plan's investments from the [investment option selection menu or investment selection grid].

IN WITNESS WHEREOF, the parties have entered into this Agreement, and will be legally bound by it, as of the Effective Date; provided, however, that this Agreement shall not become so binding on MFIM unless and until a copy hereof executed by the Plan Sponsor is submitted to MFIM.

**Plan Sponsor Name:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Mesirow Financial Investment Management, Inc.**

By: \_\_\_\_\_

Name: Michael Annin

Title: Managing Director

Date: \_\_\_\_\_

**Mesirow Financial Investment Management, Inc. Agreement**

**EXHIBIT B**

Core Asset Classes: Large Cap Equity, Small Cap Equity, International Equity, Fixed Income, and Cash Equivalents

Investment Options Currently Offered By The Plan Sponsor

<b>Fund Name</b>	<b>Asset Class</b>
AC Balanced	Moderate Allocation
Ac Inc and Growth	Large Value
AC Strategic alloc: cons	Conservative Allocation
AC Strategic alloc: mod	Moderate Allocation
AC Value	Large Value
AIM Financial	Financial
AIM Leisure	Miscellaneous Sector
AIM Real Estate	Real Estate
Aim Small cap Growth	Small Growth
Aim Technology	Technology
Alliance Bernstein Int'l Value	Foreign Large Value
American Cent. Ultra	Large Growth
American Century Eq Inc	Large Value
American Century Intl Growth	Foreign Large Growth
American Century Small Cap	Small Value
American Century Stat Alloc	Large Blend
Artisan Mid Cap	Mid-Cap Growth
Baron Small Cap	Small Growth
Calvert Social	Large Growth
Calvert Social Balanced	Moderate Allocation
Davis NY Venture	Large Blend
Dreyfus Intermediate Term Inc	Intermediate-Term Bond
Dreyfus Third Cent	Large Growth
DWS Growth and Inc	Large Blend
FA Balanced	Moderate Allocation
FA Growth & Inc	Large Blend
FA Growth Opp	Large Growth
Franklin Small-Mid	Mid-Cap Growth
Harford Index	Large Blend
Hartford Advisers	Moderate Allocation
Hartford Cap APP	Large Blend
Hartford Div & Growth	Large Value
Hartford Global Eq	World Stock
Hartford Global Health	Health
Hartford Int'l Growth	Foreign Large Growth
Hartford Int'l Opps	Foreign Large Blend
Hartford Largecap growth	Large Growth
Hartford Midcap	Mid-Cap Growth
Hartford MM	Money Market
Hartford Small Company	Small Growth
Hartford Stock	Large Blend
Hartford Total Return	Intermediate-Term Bond
Hartford US Gov't sec	Intermediate Government
Hotchkis and Wiley Mid Value	Mid-Cap Value
Janus Adviser Int'l Growth	Foreign Large Growth

Janus Balanced	Moderate Allocation
Janus Enterprise	Mid-Cap Growth
Janus Twenty	Large Growth
Janus Worldwide	World Stock
Loomis Sayles Bond	Multisector Bond
Managers AMG Skyline	Small Value
MFS Core EQ	Large Blend
MFS High Income	High Yield Bond
MFS Int'l New Discovery	Foreign Small/Mid Growth
MFS Mass Investors	Large Growth
MFS Utilities	Utilities
Oakmark Eq & Inc	Moderate Allocation
Oppenheimer Cap App	Large Growth
Oppenheimer Global	World Stock
Putnam Global Equity	World Stock
Putnam High Yield	High Yield Bond
Putnam Int'l new Opp	Foreign Large Growth
Putnam Vista	Mid-Cap Growth
T. Rowe Price Growth	Large Growth
Van Kampen Comstock	Large Value
Western Asset Core Bond	Intermediate-Term Bond
General Account	Stable Value
SSgA Russell 2000	Small Blend
SSgA Midcap Index	Mid-Cap Blend
SSgA S&P 500	Large Blend
SSgA Target date series	Target Maturity

\*Alternative investment options available on the Service Provider platform will also be considered as alternatives to those funds currently offered by the Plan Sponsor.