



CALSAVERS RETIREMENT SAVINGS BOARD

915 Capitol Mall, Room 105
Sacramento, CA 95814
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www.treasurer.ca.gov/calsavers
www.calavers.com

Request for Proposals CRSB03-20 Investment Consulting Services Notice to Prospective Bidders

September 10, 2020

You are invited to review and respond to this Request for Proposals No. CRSB03-20 ("RFP") for Investment Consulting Services for the CalSavers Retirement Savings Program ("CalSavers" or "Program"). The intent of this RFP is to select a contractor to provide Investment Consulting Services to the CalSavers Retirement Savings Board.

Proposals must comply with the instructions included in the RFP. The RFP includes the Standard Agreement the selected firm will be expected to execute. The Agreement that will be entered into will include by reference the General Terms and Conditions and Contractor Certification Clauses which may be viewed and downloaded online at <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/Standard-Contract-Language>.

The General Terms and Conditions and all Exhibits that are a part of the Sample Standard Agreement are not negotiable. By submitting a proposal, your firm agrees to the terms and conditions stated in this RFP. Proposals that do not accept all items included in the Standard Agreement may be deemed non-responsive and excluded from evaluation.

All responses to this RFP must be submitted in hard copy and electronic copy (by unprotected thumb drive or disc) and received by the Board no later than **4:00 P.M. Pacific Time on October 2, 2020**. Email or faxed submissions will not be accepted. All proposals must be mailed or delivered to:

CalSavers Retirement Savings Board
915 Capitol Mall, Room 105
Sacramento, California 95814
Attention: Kathleen Selenski, Executive Director

In the opinion of the Board, this RFP is complete and without need of explanation. However, if you have questions or should you need any clarifying information, contact staff by email at calsavers@treasurer.ca.gov. All questions must be submitted by email by **4:00 P.M. Pacific Time on September 18, 2020**.

Please note that no information given will be binding upon the State unless such information is issued in writing as an official addendum to this RFP.

PLEASE CAREFULLY READ THE RFP AND FOLLOW THE INSTRUCTIONS.

MEMBERS

FIONA MA, CPA, CHAIR
State Treasurer

BETTY T. YEE
State Controller

KEELY MARTIN BOSLER
Director of Finance

EDWARD J. DE LA ROSA
Senate Appointee

HEATHER HOOPER
Governor Appointee

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WILLIAM SOKOL
Governor Appointee

YVONNE R. WALKER
Assembly Appointee

VACANT
Governor Appointee

EXECUTIVE DIRECTOR
KATHLEEN SELENSKI

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SAMPLE STANDARD AGREEMENT

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1. PURPOSE AND DESCRIPTION OF SERVICES

1.1 Scope Overview

The CalSavers Retirement Savings Board (“Board”) is the administrator of California’s CalSavers Retirement Savings Program (“CalSavers” or “Program”) as defined in Government Code section 100000(b), and the State agency responsible for the effective and efficient administration of the CalSavers Retirement Savings Trust (“Trust”).

The intent of this RFP is to select a contractor (“consultant”) to provide Investment Consulting Services to the Board. A qualified consultant is needed to assist the Board with an annual review of the Program’s Investment Policy Statement, work collaboratively within and across the organizations and teams that are, or will become, service providers to and stakeholders in the CalSavers Program, and monitor the performance of the investment manager(s) and the investment options included in the Program.

While the selected consultant will be under the management purview of the Program’s Executive Director, the consultant will be expected to consult to the Board at the request of the Executive Director or Board.

1.2 Sample Standard Agreement

All terms and conditions noted in the Standard Agreement are not negotiable. Proposals that do not accept all items included in the Standard Agreement shall be deemed non-responsive and excluded from evaluation. The agreement entered into pursuant to this RFP (the “Agreement”), if any, will become effective upon approval by the Department of General Services (“DGS”). No work shall begin until that date.

1.3 Background and Program Overview

The CalSavers Program is a voluntary retirement savings program that enables employee participation through payroll contributions into a Roth or traditional IRA, with a Roth IRA as the default.

The Program is managed by the CalSavers Retirement Savings Board – a transparent, nine-member Board chaired by the State Treasurer. The Program was created by Senate Bill number 1234, which was enacted in September 2016 and took effect January 1, 2017. Following the launch of a small pilot in November 2018, the Program opened fully statewide on July 1, 2019.

The Program requires that all private sector employers with five or more employees that do not offer a payroll deduction retirement savings vehicle provide their employees access to the Program. Under the State mandate, employers are exempt from the Employee Retirement Income Security Act, enabling their employees access to an automatic payroll deduction IRA with limited administrative duties, no financial cost, and no fiduciary responsibility on the part of the employer.

Employees benefit from the Program’s simple, portable, and low-cost retirement savings options. Contributions are made directly from the employee’s payroll into an IRA, with the option

to change their contributions, or opt out, at any time. The CalSavers account will follow employees wherever they go, through career and other life changes, allowing them to contribute to the same account through different participating employers. Administrative expenditures for the Program are statutorily capped at 1% of the total Program Fund on and after six years from the date the Program is implemented, creating a low-cost mechanism for California workers to save for a secure retirement.

Ascensus College Savings Recordkeeping Services, LLC performs all participant recordkeeping and program administrator services. Investments are managed by State Street Global Advisors and Newton Investment Management.

1.4 Scope of Work

Reporting to the Board through the Executive Director, the Consultant shall perform the following scope of work:

- a. Under the direction of the Board or the Executive Director, analyze and evaluate asset allocation and investment structure options for the Trust based upon investment objectives established by the Board, expected use of the accounts and the role of risk reduction;
- b. Facilitate an annual review of the Board's investment policy statement, including investment beliefs;
- c. Consistent with the investment policy statement, advise the Board on and support the review of an ongoing risk management and oversight program;
- d. Participate in the development of the investment manager request for proposals, if needed, and assist the Board with evaluation of the proposals;
- e. Advise the Board or its designee on which data should be reported quarterly by the investment manager(s);
- f. Periodically compare Program fees to the fees of other state run retirement plans.
- g. Conduct monthly investment performance monitoring and provide quarterly evaluations of the Trust that compare investment results to appropriate indices and Board policies, including compliance by the investment manager(s) to these policies, and provide evaluations to the Board or its designee within 10 business days of receiving the data from the investment manager(s);
- h. Provide or recommend investment-related educational sessions for Board members, as requested, no more than twice per year;
- i. Inform the Board or its designee in the event of significant changes in the investment climate or market conditions that could affect Trust investments;

- j. Provide general advice, counsel, and recommendations on a variety of investment-related matters regarding the Trust including investment personnel, investment strategy, investment option design or modifications, the overall qualitative position of investment manager(s), other state run retirement program vendors, and state run retirement industry issues and trends;
- k. Collaborate and communicate with consultants, record keepers, investment managers and other parties retained by the Board, as needed;
- l. Attend all Board meetings unless notified otherwise by the Board. It is anticipated that the Board will meet approximately once every two months. The investment consultant is expected to attend Board meetings in person at least quarterly during this engagement. Attendance may include presentations to the Board, as needed and pursuant to a request from the Executive Director;
- m. Be available to consult with Board members and the Executive Director from 8:00 a.m. to 5:00 p.m. Pacific Time, Monday through Friday; and
- n. Respond to the need for telephone consultation within a 24-hour period and be available for meetings with the Board with no greater than 10 days' notice.

1.5 Term of Agreement

The term of the Agreement will be from **January 10, 2021** (or upon approval by the Department of General Services, whichever is later) through **January 9, 2023**, with an option to extend one additional year. Agreement shall not become effective until approved by the Department of General Services ("DGS"), no work shall begin until the effective date. The amount of this agreement shall be no more than \$300,000 for the first two years, and the total amount of the agreement shall be no more than \$450,000 over the entire contract term, including all optional extensions.

2. MINIMUM QUALIFICATIONS

The Bidder shall address the minimum qualifications stated below by completing Attachment 4 of the RFP. Failure to meet the minimum qualifications will cause your proposal to be considered unresponsive and the proposal will be disqualified.

Bidders are required to respond to the Questions listed in Section 4 of this RFP, and they must provide the applicable Attachments outlined in Section 7. Bidders must also establish the following minimum qualifications. If the Bidder is a consortium or includes subcontractors, all partners/subcontractors must also establish compliance with the following minimum qualifications:

- a. Bidder must have been actively providing advice on retirement plan investment options for at least the last five years. Investment expertise must include knowledge and experience in a wide range of investment vehicles.

- b. Bidder must have at least three years experience providing Investment Consulting Services to state-sponsored savings plans (529, ABLE, retirement).
- c. Bidder must have been providing consultation to or on behalf of individuals or governmental agencies that have been investing funds totaling at least \$1 billion.
- d. Bidder must agree in writing to serve as fiduciary to the Trust, solely in the interest of the Program participants, with respect to its work.
- e. Bidder agrees that during the term of a contract that may be executed pursuant to this RFP, Bidder will not, without Board approval, have a contractual or other business relationship with any program management or administrative services contractor that provides services for the Trust or any investment manager directing funds in the Program, either on its own or in partnership, with other entities. Ownership of an account does not constitute a business relationship for the purposes of this minimum qualification. Nothing herein is intended to preclude a Bidder from responding to this RFP as long as any existing contractual or other business relationships are disclosed in Attachment 3.
- f. Must be qualified to do business in the State of California. If awarded the contract, Bidder must be able to provide, at the State’s request, evidence of qualification to do business in the State of California from the California Secretary of State. If awarded the contract, Bidder must also be able to provide, at the State’s request, evidence of qualification to do business in the State of California from the California Secretary of State for any subcontractor identified as personnel under Section 4 “Qualifications and Experience”.
- g. Bidder must hold and maintain all applicable licenses and registrations required by applicable federal and state laws for businesses offering investment advisory services. If in the future, the Program is deemed to be a municipal security, the investment consultant will need to demonstrate compliance with applicable municipal advisor rules and regulations. All such licenses and registrations must be current and in good standing.

3. PROPOSAL REQUIREMENTS

3.1 Schedule (Key Action Dates)

All Bidders are hereby advised of the following schedule and are expected to adhere to the required dates and times—all times are Pacific Time (“PT”).

Date	Action
September 10, 2020	RFP Available to Prospective Bidders
September 18, 2020	Deadline for Written Question Submission
September 25, 2020	Answers to Written Questions Distributed
October 2, 2020, 4:00 P.M.	Deadline for Proposal Submission
October 3 – October 16, 2020	Evaluation of Proposals
October 19 - 24, 2020	Notice of Intent to Award
January 10, 2020	Contract Award

The Board reserves the right to change the above dates and times, and, if so, an addendum to the RFP will be issued and made available online at <https://caleprocure.ca.gov/>. Potential Bidders that submit contact information in accordance with Section 3.4(l) of this RFP also will be notified via email. The Board also reserves the right to reject all bids and not to award an Agreement at all.

3.2 Questions and Answers

In the opinion of the Board, this RFP is complete and needs no further explanation. However, if you have questions, or should you need any clarifying information, you may submit written questions no later than **4:00 P.M. on September 18, 2020** by email to calsavers@treasurer.ca.gov.

Answers to all written questions received by **4:00 P.M. on September 18, 2020** will be available online at <https://caleprocure.ca.gov/> by **4:00 P.M. on September 25, 2020**.

3.3 Content and Format of Proposals

- a. Proposals should provide straightforward and concise descriptions of the Bidder's ability to satisfy the requirements of this RFP. The proposal must be complete and accurate. Omissions, inaccuracies, or misstatements may be cause for rejection of a proposal.
- b. In preparing proposals, Bidders must:
 - (i) Include a cover letter stating:
 - (A) The name, address, email, and phone number of the principal contact responsible for the oversight of the engagement. Indicate the availability of this person for meetings with Board and Board staff.
 - (B) The name, address, email, and phone number of the project representative who will be available to the Board and its staff on a day-to-day basis during the term of the Agreement.
 - (C) The name, address, email, and phone number of a key contact at each partner, if a consortium, and subcontractor, and what the person would be responsible for under the Agreement.
 - (ii) List responses to each question in Sections 4 and 5 in the same order as listed in this RFP.
 - (iii) Required Attachments outlined in Section 7.

3.4 Submission of Proposals

- a. All proposals must be submitted in hard copy and electronic copy (by **unsecured** thumb drive or disc) under sealed cover and received by the Board by **4:00 P.M. on October 2, 2020**, unless the Board provides notice that the date has been changed. Proposals received after this date and time will not be considered. Proposals received by fax or email will be rejected.

- b. One (1) unbound original including Required Attachments as described in Section 7 of this RFP, three (3) copies of the proposal, and an electronic version of the proposal (by **unsecured** thumb drive or disc), shall be mailed or delivered to the Board at the following address for U.S. Postal Service or hand deliveries (UPS, Express Mail, Federal Express, etc.):

CalSavers Retirement Savings Board
915 Capitol Mall, Room 105
Sacramento, California 95814
Attention: Kathleen Selenski, Executive Director

- c. The original proposal must be marked "ORIGINAL COPY". All documents contained in the original proposal package must have original signatures and must be signed by a person who is authorized to bind the proposing firm. All additional proposal sets may contain photocopies of the original package.
- d. The proposal envelopes must be plainly marked with the RFP number and title, your firm name and address, and must be marked with "DO NOT OPEN", as shown in the following example:

Request for Proposals No. CRSB03-20 Investment Consulting Services
Firm Name
Firm Address
Contact Person and Phone Number
"DO NOT OPEN "

Proposals may not be made under a fictitious name or business title. The actual legal name of Bidder must be provided.

Proposals not submitted under sealed cover and marked as indicated may be rejected.

- e. Proposals that omit the Minimum Qualifications Certification that is included in Attachment 4 of Section 7 will not be considered. Proposals shall include each of the required attachments on the Required Attachment Check List. Proposals that do not comply with the requirements of the RFP shall be deemed non-responsive. This includes not meeting the minimum qualifications outlined in Section 2 of this RFP and failure to submit all of the Required Attachments outlined in Section 7 of this RFP. A proposal deemed non-responsive will be rejected.
- f. The Board reserves the right to reject all bids and not to award an Agreement.
- g. A proposal may be rejected if it is conditional or incomplete, or if it contains any alterations of form or other irregularities of any kind. The Board may reject any or all proposals and may waive any immaterial deviation in a proposal. The Board's waiver of immaterial defects shall in no way modify the RFP document or excuse the Bidder from full compliance with all requirements if awarded the Agreement.
- h. The Bidder is solely responsible for the costs of developing proposals and costs incurred in anticipation of award of the Agreement. Such costs shall not be charged to the Board.

- i. An individual who is authorized to bind the Bidder contractually shall sign Required Attachment 2 in Section 7, the Proposal/Proposer Certification Sheet. The signature must indicate the title or position that the individual holds in the firm. An unsigned proposal may be rejected.
- j. A Bidder may modify a proposal after its submission by withdrawing its original proposal and resubmitting a new proposal prior to the proposal submission deadline as set forth in the Schedule (Key Action Dates) in Section 3.1 of this RFP. The submission of a new proposal must comply with the requirements in this Section. Proposal modifications offered in any other manner, oral or written, will not be considered.
- k. A Bidder may withdraw its proposal by submitting a written withdrawal request to the Board, signed by the Bidder or an agent authorized in accordance with Subsection m) immediately above. A Bidder may thereafter submit a new proposal prior to the proposal submission deadline. Proposals may not be withdrawn without cause subsequent to the proposal submission deadline.
- l. The Board may modify this RFP prior to the date fixed for submission of proposals by the issuance of an addendum to all interested Bidders providing contact information, including an email address and phone number. The contact information must be submitted to calsavers@treasurer.ca.gov by **4:00 P.M. on September 25, 2020**, when the Board will provide answers to any questions submitted in accordance with Section 3.2 of this RFP. The Board will also provide updates by email to all Bidders who have expressed interest and provided contact information.
- m. Upon announcement and release of this RFP and until selection of the winning Bidder (and Notice of Intent to Award the Agreement), Bidders (or potential Bidders) are not permitted to communicate with the Board, its staff or its Program and Investment Consultants with respect to the RFP except in connection with process and procedures related to the RFP. Any communication must be submitted by email to calsavers@treasurer.ca.gov.
- n. Bidders are cautioned to not rely on the Board or Staff to discover and report to the Bidder any defects and errors in the submitted documents. Before submitting their proposals, Bidders should carefully review them, correct all errors, and confirm compliance with all of the RFP requirements.
- o. More than one proposal from any firm, organization, partnership, corporation or association under the same or different names, will not be considered. Reasonable grounds for believing that any Bidder has submitted more than one proposal for the work contemplated herein will cause the rejection of all proposals submitted by that Bidder. If there is reason for believing that collusion exists among the Bidders, none of the participants in such collusion will be considered in this or future procurements.
- p. No oral understanding or agreement shall be binding on either party.

3.5 Evaluation Process

- a. All proposals will be reviewed by an Evaluation Committee. The initial review of the proposals will confirm that all information has been submitted in conformity with the requirements of this RFP. The absence of required information will cause a proposal to be deemed nonresponsive and may result in the proposal’s disqualification. Responsive proposals will then be scored according to criteria herein. Proposals that do not accept the Terms and Conditions contained in the Standard Agreement may be considered non-responsive and rejected by the Board.
- b. The evaluation committee will allot points for each component of the RFP, up to 129 points. The scoring will be done in two phases (see following table). The first phase based upon the written submission will be worth 100 points, with all items being scored with the exception of the Interview portion. The highest scoring Bidders after the first phase is completed may be contacted for an interview.

Scored Categories	Total Possible Points	
	Without Interview	With Interview
Bidder’s Background and Personnel	15	15
Experience in Investment Consulting	55	55
Cost	30	39
Total Possible Points for Phase One	100 points	109 points
Optional Interview	--	20 points
Total Possible Points	100 points	129 points

- c. **The Cost component shall be worth 30 percent of the total score, regardless of whether or not interviews are conducted.** For example, if interviews are not conducted, Cost shall be worth 30 points of the total possible 100 points. Conversely, if interviews are conducted, Cost shall be worth 39 points of the total possible 129 points.
- d. Interviews, if any, will be scored based on the Bidders’ responses to the same set of questions that will be asked of all Bidders invited for the interview phase. The Bidder’s Interview score (up to 20 points) will be added to the Bidder’s first phase score (with a recalculation of the Cost score to ensure Cost is always worth 30 percent of the total score), and the Bidder earning the highest total score will be announced as the winner.
- e. The Board reserves the right to not conduct interviews if deemed unnecessary to the selection of the Investment Consultant.

The following point scale will be used to score the responses to each scored category except with regard to fees.

Points Awarded	Interpretation	General Basis for Point Assignment
100%	Exceptional	Category is addressed with the highest degree of confidence in the bidder's response. The response exceeds the Board's needs, requirements or expectations with superior background/experience/expertise
80%	Excellent	Response fully meets the Board's needs, requirements or expectations with a high degree of confidence in the bidder's response. Bidder offers one or more enhancing feature, method, or approach exceeding basic expectations.
60%	Good	Response fully addresses category being scored. Good degree of confidence in the bidder's response. Minimal weaknesses are acceptable.
40%	Adequate	Response (i.e. content and/or explanation offered) is adequate to meet the Board's needs, requirements or expectations. Any omission(s), flaw(s), or defect(s), are inconsequential and acceptable.
20%	Minimally adequate	Minimally addresses the category being scored, but one or more major considerations of the category are not addressed or are addressed in such a limited way that it results in a low degree of confidence in the bidder's response.
0%	Inadequate	Fails to address any portion of the category being scored. The omission(s), flaw(s), or defect(s) are significant and unacceptable.

- a. Proposals that contain false or misleading statements or provide references that do not support an attribute or condition claimed by the Bidder, may be rejected. If, in the opinion of the Program, such information was intended to mislead the Board in its evaluation of the proposal, and the attribute, condition, or capability is a requirement of this RFP, it will be the basis for rejection of the proposal.
- b. The Agreement will be awarded to the responsible and responsive Bidder or combined Bidders with the highest total score.
- c. The Board is not required to award an Agreement.

3.6 Award and Protest

- a. Notice of the proposed award shall be posted in a public place at the Office of the Board, 915 Capitol Mall, Room 105, Sacramento, CA 95814 and online at www.treasurer.ca.gov/scib for five (5) working days prior to awarding the Agreement.
- b. If any Bidder, prior to the award of the Agreement, files a protest with the Board and the DGS Office of Legal Services, 707 Third Street, 7th Floor, Suite 7-330, West Sacramento, CA 95605, or to OLSProtests@dgs.ca.gov on the grounds provided under Public Contract

Code Section 10345(b), the Agreement shall not be awarded until either the protest has been withdrawn or DGS has decided the matter. It is suggested that any protest be submitted by certified or registered mail.

- c. Within five (5) days after filing the initial protest, the protesting Bidder shall file with the Board and the DGS Office of Legal Services a detailed written statement specifying the grounds for the protest. It is suggested that this detailed written statement be submitted by certified or registered mail.

3.7 Disposition of Proposals

- a. Upon proposal opening, all documents submitted in response to this RFP will become the property of the Board and the State and will be regarded as public records under the California Public Records Act (Government Code Section 6250 et seq.), subject to review by the public.
- b. The Board has the right to use any or all ideas or concepts presented in any proposal. Selection or rejection of the proposal does not affect this right.
- c. Proposal packages may be returned only at the Bidder's expense, unless such expense is waived by the Board.

3.8 Agreement Execution and Performance

- a. Performance shall start not later than 30 days, or on the express date set by the Program and the Contractor, after all approvals have been obtained and the Agreement is fully executed. If the Contractor fails to commence work at the agreed upon time, the Board, upon five (5) days written notice to the Contractor, reserves the right to terminate the Agreement. In addition, the Contractor shall be liable to the State for the difference between Contractor's proposal price and the actual cost of performing work by another contractor.
- b. All performance under the Agreement shall be completed on or before the termination date of the Agreement.

4. QUALIFICATIONS AND EXPERIENCE

Questions in Section 4 are intended to demonstrate the Bidder's qualifications. Points will be awarded for the Bidder's response(s) to each question. The allocation of points is defined in Section 3.5 of this RFP entitled "Evaluation Process." Questions should also be answered for each relevant partner or subcontractor. In preparing proposals, the Bidder must list each question and then provide the Bidder's response to that question in the same order listed in this RFP.

4.1 Bidder's Background and Personnel (Maximum of fifteen (15) points)

- a. Provide an overview of the Bidder's firm including experience providing consultation to state-sponsored savings plans (529, ABLE, retirement). The response should include a description of the firm's history, organizational structure, and the services Bidder's firm will bring to this contract.

- b. Identify the personnel who will provide the services if awarded the contract, including years and type of experience for each person. Experience should include number of years at the current firm as well as all prior relevant employment. Please also include staff of subcontractors, if any. The contractor is expected to ensure that the quality and availability of personnel assigned to perform services under the contract will be maintained over the term of the contract. Replacements must have substantially the same or better qualifications and experience than the original personnel. Any change in assigned personnel must be pre-approved by the Board.
- c. Identify the role each person will serve in the contract and his/her title.
- d. Provide detailed resumes for the individuals that will be directly involved in providing the services under the contract including any proposed subcontractors and their employees, if any.
- e. Indicate who will have ultimate responsibility for this contract. Indicate the availability of this person for live or telephone meetings with the Board. Describe the Bidder's backup procedures if the primary person assigned to this account leaves the firm, or is otherwise unavailable.

4.2 Experience in Investment Consulting (Maximum of fifty-five (55) points)

- a. Describe the Bidder's experience in advising boards on formulating and reviewing investment policies and in interpreting investment data. Include the names of the boards, the number of years that the Bidder has provided such service, the number of agencies or boards to which Bidder is currently providing investment advice and the approximate dollar value of the portfolios for which consultative services are provided.
- b. Describe in detail what data, information, and advice the Bidder proposes to provide to the Board in formulating its investment policies and analyzing and interpreting the investment performance of the investment manager(s). Describe the Bidder's methodology used for measuring risk.
- c. If Bidder has been involved with the development and implementation of a state run investment program (e.g., 529, ABLE or state run retirement plans), please describe the key considerations and challenges in advising on the start-up of a new investment program.
- d. Based on the Bidder's experience with start-up programs, and the understanding of the CalSavers Retirement Savings Program, describe how the Bidder would align the characteristics of strong investment performance (risk and return), investment cost and investment vehicles with the needs of the Program, taking into account that the Program may have complex components.
- e. Provide a detailed description of the Bidder's investment manager selection process. Please provide an example of the Bidder's experience with requests for proposals for investment management services and include detail regarding the approach to the evaluation of responses. Please include how the Bidder will apply any lessons learned from the experience to this solicitation. Understanding the unique characteristics of the Program,

what key requirements would the Bidder include in a solicitation for investment management servicer?

- f. Describe the Bidder's experience and expertise with the development, and ongoing monitoring, of unique investment vehicles, including a reserve option or other pooled investment options. In light of the Bidder's response to 2)d) above, please address the role of these investments in the CalSavers Program.
- g. Describe the Bidder's experience and expertise with low risk, stable value products, guaranteed investment contracts, insured products and similar investments. How would the Bidder determine the appropriate investment vehicle and provide the evaluation criteria used to select a provider?
- h. Describe how benchmarks are chosen or developed and how an investment's performance is compared to similar investment options. Indicate whether the Bidder has ever developed benchmarks and, if so, provide a description of the benchmarks developed.
- i. Describe the Bidder's investment evaluation process and provide samples of evaluation tools used on a regular basis.
- j. List any consulting accounts lost within the past three years and note the reason for the account lost.
- k. Please provide a project plan in response to the Scope of Work and affirm the Bidder's ability to perform every item in the Scope of Work. Include in the plan an estimated range of hours to complete the work (note that this range of hours will not be factored into the scoring of the Bidder's cost proposal). Please identify any items that Bidder would provide through a subcontractor.
- l. Provide the name, address, telephone number, contact name and title for five (5) firms to serve as references for Bidder, using the format in Attachment 3. Provide three (3) references for any subcontractors the Bidder plans to use. Identify the individuals at Bidder's firm who were responsible for providing consulting services to these clients/entities. Submission of Attachment 3 is mandatory. Proposals that fail to submit Attachment 3 shall be considered nonresponsive and rejected.

4.3 Optional Interview (Maximum of twenty (20) points)

Answers provided to questions during the interview will be the basis for awarding up to 20 points. Each interviewee will receive the same set of questions. The highest scoring Bidders will be interviewed. See Section 3.5 (d) of this RFP for further information on the Interview process.

4.4 Cost Proposal (Maximum of thirty [30] points)

The cost proposal shall:

- Follow the template outlined in Attachment 5 – Cost Proposal.
- Provide a fixed annual fee for performing the Scope of Work set forth in this RFP.

The fixed annual fee provided should include all Bidder fees/costs to the Board. The Board expects the total amount of the contract not to exceed \$300,000 for the first two years, and shall not exceed \$450,000 over the entire term (two years and potential one year extension) of the contract. Bidders are advised that neither the Treasurer's Office, nor the Program, will reimburse the Consultant for any travel and lodging expenses.

Proposals submitted with a cost proposal that fails to meet any of the specified requirements outlined above, or in a form other than as provided for in Attachment 3, will be considered nonresponsive and rejected.

The following formula shall be used for the award of points in this section:

Lowest Cost Proposal, based on the Total Annual Cost from Attachment 5, is awarded the maximum cost points. Other proposals are awarded cost points based on the following calculation:

- $(\text{Lowest Bidder's Cost}) / (\text{Other Bidder's Cost}) = (\text{Factor})$
- $\text{Cost points for Other Bidder} = (\text{Factor}) \times (\text{Maximum Points})$

Example if no interviews are conducted:

- A maximum of 30 points is available for cost
- Lowest Bidder's Cost Proposal = \$225,000, Other Bidder's Cost Proposal = \$300,000
- $(\text{Lowest Cost Proposal} / \text{Other Cost Proposal}) = \$225,000 / \$300,000 = 3/4$
- Points awarded to Other Bidder = $3/4 \times 30$ maximum points = 22.5 points

Example if interviews are conducted:

- A maximum of 39 points is available for cost
- Lowest Bidder's Cost Proposal = \$225,000, Other Bidder's Cost Proposal = \$300,000
- $(\text{Lowest Cost Proposal} / \text{Other Cost Proposal}) = \$225,000 / \$300,000 = 3/4$

Points awarded to Other Bidder = $3/4 \times 39$ maximum points = 29 points

5. LEGAL, DISCIPLINARY, AND CONFLICTS OF INTEREST DISCLOSURES

Bidder shall advise if any partner, officer, investment officer, portfolio manager, research analyst, or trader of the Bidder's firm has been convicted or pleaded no contest in a case stemming from a felony indictment. Any such conviction or plea must be disclosed and must be accompanied by a full explanation of the circumstances surrounding it.

Bidder shall advise if the Bidder is or was a defendant in litigation relating to any services which it proposes to provide to the Board. Any final settlement, administrative decision, or judgment made in connection with this litigation must be disclosed and must be accompanied by a full explanation of the circumstances surrounding it.

Bidder shall advise if the Bidder, any partner, related company (parent, subsidiary, sister), affiliate or joint venture, or any owner, officer, director, principal, or management level employee of the Bidder been involved in any enforcement action by the Securities and Exchange Commission or any other governmental regulatory agency or been named a defendant in litigation where there was an allegation of violation of fiduciary responsibility. If yes, explain in detail.

Bidder shall disclose any other legal or disciplinary event that is material to the Board's evaluation of the Bidder or the integrity of Bidder's management or advisory personnel by either: (1) identifying the specific type of event and specifically referring to the relevant portions of the Bidder's most recent Forms MA or MA-I (and, if doing so, providing detailed information specifying where the Board may electronically access such forms), or (2) providing a writing that fully and fairly discloses the information required to be disclosed under MSRB Rule G-42(c)(ii) and (b).

Bidder shall advise if the Bidder has ever been terminated for cause from any contract. If the answer is yes, cite the background of the contract, reason for the termination, and what the Bidder has done to change operations or personnel to preclude the circumstances regarding the termination from re-occurring.

Bidder shall disclose any business relationships, which may be construed to be potential or actual conflicts of interest. The contractor will have a continuing requirement to disclose any business relationships that may be construed to be a potential or actual conflict. The disclosure must be sufficiently detailed to inform the Board of the nature, implications and potential consequences of each conflict and must include an explanation of how the Bidder addresses, or intends to manage or mitigate, each conflict.

The Board may reject a proposal due to any disclosure or conflict of interest (potential or actual) that is material in the sole opinion of the Board.

6. PREFERENCE PROGRAMS

6.1 Small Business or Microbusiness Preference (if applicable) – Attachment 9

(If there are any inconsistencies herein with the applicable statutes, regulations, and State Contracting Manual, the statutes, regulations, and State Contracting Manual shall supersede.)

A five percent (5%) preference will be applied to certified small businesses submitting proposals for this RFP. To obtain the preference, Proposer must either be certified as a small business and submit a copy of their certification approval letter from DGS/Office of Small Business and DVBE Services (OSDS) or submit a complete application for certification to DGS/OSDS by 5:00 P.M. PT on the proposal due date. However, the proposed winning Proposer must be a certified small business at the time of contract award. The 5% preference is used only for computation purposes to determine the winning Proposer and does not alter the amounts of the resulting contract.

Once each proposal has been scored, if the highest scored proposal is from a non-certified small business, then 5% of the highest scoring proposal is added to the total "earned" points for each proposal submitted by a certified small business. These final numbers, with the 5% included, are then used to determine the highest scoring proposal.

Questions regarding the small business certification or preference approval should be directed to the OSDS at (916) 375-4940 or can be found online at

<https://www.dgs.ca.gov/PD/About/Page-Content/PD-Branch-Intro-Accordion-List/Office-of-Small-Business-and-Disabled-Veteran-Business-Enterprise/Certification-Program>.

6.2 Disabled Veteran Business Enterprise (DVBE) Incentive Program (optional) – Attachment 10

Mandatory California Disabled Veteran Business Enterprise (DVBE) Program Participation has been waived for this proposal.

This solicitation provides an incentive for DVBE participation. The Department of General Services (“DGS”) established a DVBE incentive pursuant to Senate Bill 115, Chaptered October 3, 2005 and the military and Veterans Code section 999.5(a). The regulations apply to all competitive solicitations for public works, services, goods, and information technology goods and services posted or released after October 9, 2007. The DVBE incentive is required in solicitations that include DVBE program requirements and may be offered in other competitive solicitations. Department of General Services’ policy implements this program by rewarding prime proposers for increased DVBE participation: the more DVBE participation, the greater the incentive. This incentive program helps State agencies to meet their annual DVBE participation goals.

Attachment 10 links to more information regarding the DVBE Incentive Program. Proposers seeking the DVBE incentive must submit a completed DVBE Declarations form (STD. 843) that demonstrates DVBE participation and qualification for a DVBE incentive, with proposal submittal. All disabled veteran owners and disabled veteran managers of the DVBE(s) must sign the form(s). The DVBE Incentive participation is optional and at the discretion of the proposing firm.

6.3 Non-Small Business Preference (if applicable) – Attachment 11

(If there are any inconsistencies herein with the applicable statutes, regulations, and State Contracting Manual, the statutes, regulations, and State Contracting Manual shall supersede.)

A five percent (5%) preference is available to a non-small business claiming twenty-five percent (25%) California certified small business subcontractor participation. If claiming the non-small business subcontractor preference, the proposal must include a list of the small business(es) with which the Proposer commits to subcontract in an amount of at least 25% of the net proposal price with one or more California certified small businesses. Each listed certified small business must perform a “commercially useful function” in the performance of the contract as defined in Government Code Section 14837(d)(4).

The required list of California certified small business subcontractors must be attached to the proposal and must include the following: 1) subcontractor name, 2) address, 3) phone number, 4) a description of the work to be performed and/or products supplied, 5) and the dollar amount or percentage of the net proposal price (as specified in the solicitation) per subcontractor.

Proposers claiming the 5% preference must commit to subcontract for at least 25% of the net proposal price with one or more California certified small businesses. Completed certification applications and required support documents must be submitted to the OSDS no later than 5:00 P.M. PT on the proposal due date. Questions regarding certification should be directed to the OSDS at (916) 375-4940 or can be found online at <https://www.dgs.ca.gov/PD/About/Page-Content/PD-Branch-Intro-Accordion-List/Office-of-Small-Business-and-Disabled-Veteran-Business-Enterprise/Certification-Program>.

The preference to a non-small business firm that commits to California certified small business subcontractor participation of 25% of its net proposal price shall be 5% of the highest scoring proposal. A non-small business, which qualifies for this preference, may not take an award away from a certified small business.

6.4 Target Area Contract Preference Act (TACPA) preference (if applicable) – Attachment 12

The Target Area Contract Preference Act (TACPA) economic stimulus preference program was established to stimulate business investment in distressed areas of the state and create job opportunities for Californians for improving the economic vitality of their communities (See Attachment 14). TACPA is regulated by Government Code Sections 4530-4535.3 and California Code of Regulations 1896.30-1896.40. Any vendor whose bid is over \$100,000 may apply for Target Area Contract Preference Act (TACPA) preference. TACPA provides 5 to 9 percent preferences for a California business that is located in the qualified zone.

Proposers wishing to take advantage of the TACPA preference will need to review the following website and submit the appropriate response with the proposal:

<https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Request-a-Target-Area-Contract-Preference>

7. REQUIRED ATTACHMENTS

Refer to the following pages for additional Required Attachments.

Attachment 1 - Required Attachment Check List

Complete this checklist to confirm the inclusion of attachments listed below. Place a check mark or “X” next to each item that you are submitting to the Board. For your proposal to be responsive, all required attachments must be included separate from the rest of the written proposal. One (1) additional copy of these attachments must be submitted to the Board.

RETURN THIS CHECKLIST WITH YOUR PROPOSAL PACKAGE

<u>Attachment</u>	<u>Attachment Name/Description</u>
<input type="checkbox"/> Attachment 1	Required Attachment Check List
<input type="checkbox"/> Attachment 2	Proposal/Proposer Certification Sheet
<input type="checkbox"/> Attachment 3	Bidder References
<input type="checkbox"/> Attachment 4	Minimum Qualifications Certification
<input type="checkbox"/> Attachment 5	Cost Proposal
<input type="checkbox"/> Attachment 6	Payee Data Record (STD. 204)
<input type="checkbox"/> Attachment 7	Contractor Certification Clauses (CCC 04/2017)
<input type="checkbox"/> Attachment 8	Darfur Contracting Act Certification Form
<input type="checkbox"/> Attachment 9*	Small Business or Microbusiness Preference (if applicable)
<input type="checkbox"/> Attachment 10*	CA Disabled Veteran Business Enterprise (DVBE) Program Participation Instructions (if applicable)
<input type="checkbox"/> Attachment 11*	Non-Small Business Preference (if applicable)
<input type="checkbox"/> Attachment 12*	Target Area Contract Preference Act (TACPA) preference (if applicable)
<input type="checkbox"/> Attachment 13	Bidder Declaration (GSPD-05-105)
<input type="checkbox"/> Attachment 14	California Civil Rights Laws Certification
<input type="checkbox"/> Attachment 15	Evidence of Qualification to do Business in the State of California
<input type="checkbox"/> Attachment 16	Securities and Exchange Commission Form Adv (Parts 1 & 2) or Proof of Exemption
<input type="checkbox"/> Attachment 17	Resumes of Key Personnel
<p>* Additional information about these preference programs can be found online at https://www.dgs.ca.gov/PD/About/Page-Content/PD-Branch-Intro-Accordion-List/Office-of-Small-Business-and-Disabled-Veteran-Business-Enterprise/Certification-Program</p>	